

HOUSE BILL No. 1400

DIGEST OF INTRODUCED BILL

Citations Affected: IC 3-10-1-19.

Synopsis: Government reorganization and administration. Transfers the property tax assessment duties and dog tax duties of elected township assessors and township trustee assessors to the county assessor. Eliminates the office of elected township assessor. Makes various changes in laws governing the adoption of budgets, tax rates, and tax levies and in the administration of public funds. Permits a county to impose any combination of local supplemental income taxes, sales taxes, food and beverage taxes, or innkeepers' taxes. Requires 80% of the tax revenue to be used for property tax replacement credits. Limits the annual amount that may be levied for: (1) a family and children's fund; or (2) a children's psychiatric residential treatment services fund. With certain exceptions, obligates the state to pay expenditures for child services and children's psychiatric residential treatment services that exceed a county's levy. Requires predispositional and modification reports in child in need of services proceedings in a juvenile court to be prepared by a caseworker. Establishes a probation services fund in each county and permits a property tax levy to fund services ordered by a juvenile court in proceedings concerning delinquent children. Establishes a procedure for the reorganization of local government and for cooperative agreements. Makes related changes. Makes an appropriation.

Effective: July 1, 2007.

Whetstone

January 12, 2006, read first time and referred to Committee on Government and Regulatory Reform.

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Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

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HOUSE BILL No. 1400

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 3-10-1-19, AS AMENDED BY P.L.221-2005,
2 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2007]: Sec. 19. (a) The ballot for a primary election shall be
4 printed in substantially the following form for all the offices for which
5 candidates have qualified under IC 3-8:

6 OFFICIAL PRIMARY BALLOT

7 _____ Party

8 For paper ballots, print: To vote for a person, make a voting mark
9 (X or ✓) on or in the box before the person's name in the proper
10 column. For punch card ballots, print: To vote for a person, punch
11 through the chad before the number assigned to the person's name in
12 the proper column. For optical scan ballots, print: To vote for a person,
13 darken or shade in the circle, oval, or square (or draw a line to connect
14 the arrow) that precedes the person's name in the proper column. For
15 optical scan ballots that do not contain a candidate's name, print: To
16 vote for a person, darken or shade in the oval that precedes the number
17 assigned to the person's name in the proper column. For electronic



voting systems, print: To vote for a person, touch the screen (or press the button) in the location indicated.

Vote for one (1) only

Representative in Congress

☐ (1) AB _____

☐ (2) CD _____

☐ (3) EF _____

☐ (4) GH _____

(b) The offices with candidates for nomination shall be placed on the primary election ballot in the following order:

(1) Federal and state offices:

(A) President of the United States.

(B) United States Senator.

(C) Governor.

(D) United States Representative.

(2) Legislative offices:

(A) State senator.

(B) State representative.

(3) Circuit offices and county judicial offices:

(A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.

(B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.

(C) Judge of the probate court.

(D) Judge of the county court, with each division separate, as required by IC 33-30-3-3.

(E) Prosecuting attorney.

(F) Circuit court clerk.

(4) County offices:

(A) County auditor.

(B) County recorder.

(C) County treasurer.

(D) County sheriff.

(E) County coroner.

(F) County surveyor.

(G) County assessor.

(H) County commissioner.

(I) County council member.

(5) Township offices:

~~(A) Township assessor.~~

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- 1 ~~(B)~~ (A) Township trustee.
 2 ~~(C)~~ (B) Township board member.
 3 ~~(D)~~ (C) Judge of the small claims court.
 4 ~~(E)~~ (D) Constable of the small claims court.
 5 (6) City offices:
 6 (A) Mayor.
 7 (B) Clerk or clerk-treasurer.
 8 (C) Judge of the city court.
 9 (D) City-county council member or common council member.
 10 (7) Town offices:
 11 (A) Clerk-treasurer.
 12 (B) Judge of the town court.
 13 (C) Town council member.
 14 (c) The political party offices with candidates for election shall be
 15 placed on the primary election ballot in the following order after the
 16 offices described in subsection (b):
 17 (1) Precinct committeeman.
 18 (2) State convention delegate.
 19 (d) The following offices and public questions shall be placed on the
 20 primary election ballot in the following order after the offices described
 21 in subsection (c):
 22 (1) School board offices to be elected at the primary election.
 23 (2) Other local offices to be elected at the primary election.
 24 (3) Local public questions.
 25 (e) The offices and public questions described in subsection (d)
 26 shall be placed:
 27 (1) in a separate column on the ballot if voting is by paper ballot;
 28 (2) after the offices described in subsection (c) in the form
 29 specified in IC 3-11-13-11 if voting is by ballot card; or
 30 (3) either:
 31 (A) on a separate screen for each office or public question; or
 32 (B) after the offices described in subsection (c) in the form
 33 specified in IC 3-11-14-3.5;
 34 if voting is by an electronic voting system.
 35 (f) A public question shall be placed on the primary election ballot
 36 in the following form:
 37 (The explanatory text for the public question,
 38 if required by law.)
 39 "Shall (insert public question)?"
 40 ☐ YES
 41 ☐ NO
 42 SECTION 2. IC 3-10-2-13 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. The following public officials shall be elected at the general election before their terms of office expire and every four (4) years thereafter:

- (1) Clerk of the circuit court.
- (2) County auditor.
- (3) County recorder.
- (4) County treasurer.
- (5) County sheriff.
- (6) County coroner.
- (7) County surveyor.
- (8) County assessor.
- (9) County commissioner.
- (10) County council member.
- (11) Township trustee.
- (12) Township board member.

~~(13) Township assessor.~~

~~(14)~~ (13) Judge of a small claims court.

~~(15)~~ (14) Constable of a small claims court.

SECTION 3. IC 3-11-2-12, AS AMENDED BY P.L.2-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. The following offices shall be placed on the general election ballot in the following order:

- (1) Federal and state offices:
 - (A) President and Vice President of the United States.
 - (B) United States Senator.
 - (C) Governor and lieutenant governor.
 - (D) Secretary of state.
 - (E) Auditor of state.
 - (F) Treasurer of state.
 - (G) Attorney general.
 - (H) Superintendent of public instruction.
 - (I) United States Representative.
- (2) Legislative offices:
 - (A) State senator.
 - (B) State representative.
- (3) Circuit offices and county judicial offices:
 - (A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.
 - (B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.

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- 1 (C) Judge of the probate court.
 2 (D) Judge of the county court, with each division separate, as
 3 required by IC 33-30-3-3.
 4 (E) Prosecuting attorney.
 5 (F) Clerk of the circuit court.
 6 (4) County offices:
 7 (A) County auditor.
 8 (B) County recorder.
 9 (C) County treasurer.
 10 (D) County sheriff.
 11 (E) County coroner.
 12 (F) County surveyor.
 13 (G) County assessor.
 14 (H) County commissioner.
 15 (I) County council member.
 16 (5) Township offices:
 17 ~~(A) Township assessor.~~
 18 ~~(B)~~ (A) Township trustee.
 19 ~~(C)~~ (B) Township board member.
 20 ~~(D)~~ (C) Judge of the small claims court.
 21 ~~(E)~~ (D) Constable of the small claims court.
 22 (6) City offices:
 23 (A) Mayor.
 24 (B) Clerk or clerk-treasurer.
 25 (C) Judge of the city court.
 26 (D) City-county council member or common council member.
 27 (7) Town offices:
 28 (A) Clerk-treasurer.
 29 (B) Judge of the town court.
 30 (C) Town council member.

31 SECTION 4. IC 4-10-13-2 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The auditor of
 33 state shall prepare and publish each year the following financial
 34 reports:

- 35 (1) A report showing receipts by source of revenue and by type of
 36 fund disbursements as they relate to each agency, department, and
 37 fund of the state government. This report shall include a recital of
 38 disbursements made by the following functions of state
 39 government:
 40 (A) Education.
 41 (B) Welfare.
 42 (C) Highway.

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- 1 (D) Health.
- 2 (E) Natural resources.
- 3 (F) Public safety.
- 4 (G) General governmental.
- 5 (H) Hospital and state institutions.
- 6 (I) Correction, parole, and probation.
- 7 (2) A report containing the following property tax data by
- 8 counties:
- 9 (A) A report showing:
 - 10 (i) the total amount of tax delinquencies;
 - 11 (ii) the total amount of the administrative costs of the offices
 - 12 of ~~township and~~ county assessors, the offices of county
 - 13 auditors, and the offices of county treasurers; and
 - 14 (iii) the total amount of other local taxes collected.
- 15 (B) An abstract of taxable real and personal property, which
- 16 must include a recital of the number and the total amount of
- 17 tax exemptions including mortgage exemptions, veterans'
- 18 exemptions, exemptions granted to blind persons, exemptions
- 19 granted to persons over sixty-five (65) years of age, and any
- 20 and all other exemptions granted to any person under ~~the~~
- 21 ~~provisions of~~ the constitution and the laws of the state.
- 22 (b) The reports described in this section shall be made available for
- 23 inspection as soon as they are prepared and shall be published in the
- 24 manner provided in section 7 of this chapter by the auditor of state not
- 25 later than December 31 following the end of each fiscal year.
- 26 SECTION 5. IC 5-4-1-8 IS AMENDED TO READ AS FOLLOWS
- 27 [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) The official bonds of officers,
- 28 if sufficient, shall be approved as follows:
 - 29 (1) Of county officers required to give bonds, by the clerk of the
 - 30 circuit court unless otherwise specified in this section.
 - 31 (2) Of county sheriff, county coroner, county recorder, county
 - 32 auditor, county treasurer, and clerk of the circuit court, by the
 - 33 county executive.
 - 34 (3) Of county assessor ~~and~~ township trustee, ~~and township~~
 - 35 ~~assessor~~, by the county auditor.
 - 36 (4) Of city officers, except the executive and members of the
 - 37 legislative body, by the city executive.
 - 38 (5) Of members of the board of public works or of the board of
 - 39 public works and safety in cities, by the city legislative body.
 - 40 (6) Of clerk-treasurer and marshal of a town, by the town
 - 41 legislative body.
 - 42 (7) Of a controller of a solid waste management district

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established under IC 13-21 or IC 13-9.5 (before its repeal) by the board of directors of the solid waste management district.

(b) A person who approves an official bond shall write the approval on the bond.

(c) A bond must be approved before it is filed.

SECTION 6. IC 5-4-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (a) Except as provided in subsection (b), the following city, town, county, or township officers and employees shall file an individual surety bond:

(1) City judges, controllers, clerks, and clerk-treasurers.

(2) Town judges and clerk-treasurers.

(3) Auditors, treasurers, recorders, surveyors, sheriffs, coroners, assessors, and clerks.

(4) Township trustees. ~~and assessors.~~

(5) Those employees directed to file an individual bond by the fiscal body of a city, town, or county.

(b) The fiscal body of a city, town, county, or township may by ordinance authorize the purchase of a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit including those officers described in subsection (a).

(c) The fiscal bodies of the respective units shall fix the amount of the bond of city controllers, city clerk-treasurers, town clerk-treasurers, Barrett Law fund custodians, county treasurers, county sheriffs, circuit court clerks, township trustees, and conservancy district financial clerks as follows:

(1) The amount must equal fifteen thousand dollars (\$15,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).

(2) The amount may not be less than fifteen thousand dollars (\$15,000) nor more than three hundred thousand dollars (\$300,000).

County auditors shall file bonds in amounts of not less than fifteen thousand dollars (\$15,000), as fixed by the fiscal body of the county. The amount of the bond of any other person required to file an individual bond shall be fixed by the fiscal body of the unit at not less than eight thousand five hundred dollars (\$8,500).

(d) A controller of a solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal) shall file an individual surety bond in an amount:

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(1) fixed by the board of directors of the solid waste management district; and

(2) that is at least fifteen thousand dollars (\$15,000).

(e) Except as provided under subsection (d), a person who is required to file an individual surety bond by the board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal) shall file a bond in an amount fixed by the board of directors.

(f) In 1982 and every four (4) years after that, the state examiner shall review the bond amounts fixed under this section and report in an electronic format under IC 5-14-6 to the general assembly whether changes are necessary to ensure adequate and economical coverage.

(g) The commissioner of insurance shall prescribe the form of the bonds or crime policies required by this section, in consultation with the commission on public records under IC 5-15-5.1-6.

SECTION 7. IC 5-11-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Claims against a political subdivision of the state must be approved by the officer or person receiving the goods or services, be audited for correctness and approved by the disbursing officer of the political subdivision, and, where applicable, be allowed by the governing body having jurisdiction over allowance of such claims before they are paid. If the claim is against a governmental entity (as defined in section 1.6 of this chapter), the claim must be certified by the fiscal officer.

(b) The state board of accounts shall prescribe a form which will permit claims from two (2) or more claimants to be listed on a single document and, when such list is signed by members of the governing body showing the claims and amounts allowed each claimant and the total claimed and allowed as listed on such document, it shall not be necessary for the members to sign each claim.

(c) Notwithstanding subsection (b), only:

(1) the chairperson of the board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal); or

(2) the chairperson's designee;
is required to sign the claim form described under this section.

(d) The form prescribed under this section shall be prepared by or filed with the disbursing officer of the political subdivision, together with:

(1) the supporting claims if payment is made under section 1 of this chapter; or

(2) the supporting invoices or bills if payment is made under

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section 1.6 of this chapter.

All such documents shall be carefully preserved by the disbursing officer as a part of the official records of the office.

(e) Where under any law it is provided that each claim be allowed over the signatures of members of a governing body, or a claim docket or accounts payable voucher register be prepared listing claims to be considered for allowance, the form and procedure prescribed in this section shall be in lieu of the provisions of the other law.

~~(f) Notwithstanding this section, the publication required by IC 36-2-6-3(b) must state each claim for which a separate warrant or check is to be issued by the disbursing officer except for claims for the following:~~

~~(1) Salaries fixed in a definite amount by ordinance or statute:~~

~~(2) Per diem of jurors:~~

~~(3) Salaries of officers of a court:~~

SECTION 8. IC 5-28-15-8, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) This section applies to records and other information, including records and information that are otherwise confidential, maintained by the following:

(1) The board.

(2) A U.E.A.

(3) The department of state revenue.

(4) The corporation.

(5) The department of local government finance.

(6) A county auditor.

(7) A ~~township~~ county assessor.

(b) A person or an entity listed in subsection (a) may request a second person or entity described in subsection (a) to provide any records or other information maintained by the second person or entity that concern an individual or a business that is receiving a tax deduction, exemption, or credit related to an enterprise zone. Notwithstanding any other law, the person or entity to whom the request is made under this section must comply with the request. A person or entity receiving records or information under this section that are confidential must also keep the records or information confidential.

(c) A person or an entity that receives confidential records or information under this section and knowingly or intentionally discloses the records or information to an unauthorized person commits a Class A misdemeanor.

SECTION 9. IC 6-1.1-1-1.5, AS AMENDED BY P.L.88-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2007]: Sec. 1.5. (a) "Assessing official" means:

(1) a ~~township~~ **county** assessor; or

(2) a member of a county property tax assessment board of appeals.

(b) The term "assessing official" does not grant a member of the county property tax assessment board of appeals primary assessing functions except as may be granted to the member by law.

SECTION 10. IC 6-1.1-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. "Real property" means:

(1) land located within this state;

(2) a building or fixture situated on land located within this state;

(3) an appurtenance to land located within this state;

(4) an estate in land located within this state, or an estate, right, or privilege in mines located on or minerals, including but not limited to oil or gas, located in the land, if the estate, right, or privilege is distinct from the ownership of the surface of the land; and

(5) notwithstanding IC 6-6-6-7, a riverboat:

(A) licensed under IC 4-33; or

(B) operated under an operating agent contract under IC 4-33-6.5;

for which the department of local government finance shall prescribe standards to be used by ~~township~~ **county** assessors.

SECTION 11. IC 6-1.1-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) Except as provided in subsection (c) and section 11 of this chapter, personal property which is owned by a person who is a resident of this state shall be assessed at the place where the owner resides on the assessment date of the year for which the assessment is made.

(b) Except as provided in subsection (c) and section 11 of this chapter, personal property which is owned by a person who is not a resident of this state shall be assessed at the place where the owner's principal office within this state is located on the assessment date of the year for which the assessment is made.

(c) Personal property shall be assessed at the place where it is situated on the assessment date of the year for which the assessment is made if the property is:

(1) regularly used or permanently located where it is situated; or

(2) owned by a nonresident who does not have a principal office within this state.

(d) If a personal property return is filed pursuant to subsection (c),

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the owner of the property shall provide, within forty-five (45) days after the filing deadline, a copy or other written evidence of the filing of the return to the assessor of the **township county** in which the owner resides. If such evidence is not filed within forty-five (45) days after the filing deadline, the assessor of the **township county** in which the owner resides shall determine if the owner filed a personal property return in the **township county** where the property is situated. If such a return was filed, the property shall be assessed where it is situated. If such a return was not filed, the assessor of the **township county** where the owner resides shall notify the assessor of the **township county** where the property is situated, and the property shall be assessed where it is situated. This subsection does not apply to a taxpayer who:

- (1) is required to file duplicate personal property returns under section 7(c) of this chapter and under regulations promulgated by the department of local government finance with respect to that section; or
- (2) is required by the department of local government finance to file a summary of the taxpayer's business tangible personal property returns.

SECTION 12. IC 6-1.1-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) If a question arises as to the proper place to assess personal property, ~~the county assessor shall determine the place if the conflict involves different townships which are located within the county the assessor serves. If the conflict involves different counties,~~ the department of local government finance shall determine the proper place of assessment.

(b) A determination made under this section by a ~~county assessor~~ or the department of local government finance is final.

(c) If taxes are paid to a county which is not entitled to collect them, the department of local government finance may direct the authorities of the county which wrongfully collected the taxes to refund the taxes collected and any penalties charged on the taxes.

SECTION 13. IC 6-1.1-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. Before the assessment date of each year, the county auditor shall deliver to each **township county** assessor the proper assessment books and necessary blanks for the listing and assessment of personal property.

SECTION 14. IC 6-1.1-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. Between the assessment date and the filing date of each year, the ~~appropriate~~ **township county** assessor shall furnish each person whose personal property is subject to assessment for that year with a personal property

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1 return.

2 SECTION 15. IC 6-1.1-3-7 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) Except as
4 provided in subsections (b) and (d), a taxpayer shall, on or before the
5 filing date of each year, file a personal property return with the assessor
6 of ~~each township~~ **the county** in which the taxpayer's personal property
7 is subject to assessment.

8 (b) The ~~township~~ **county** assessor may grant a taxpayer an extension
9 of not more than thirty (30) days to file the taxpayer's return if:

10 (1) the taxpayer submits a written application for an extension
11 prior to the filing date; and

12 (2) the taxpayer is prevented from filing a timely return because
13 of sickness, absence from the county, or any other good and
14 sufficient reason.

15 (c) If the sum of the assessed values reported by a taxpayer on the
16 business personal property returns which the taxpayer files with the
17 ~~township~~ **county** assessor for a year exceeds one hundred fifty
18 thousand dollars (\$150,000), the taxpayer shall file each of the returns
19 in duplicate.

20 (d) ~~A taxpayer may file a consolidated return with the county~~
21 ~~assessor If: the~~

22 (1) ~~a taxpayer has personal property subject to assessment in~~
23 ~~more than one (1) township in a county; and~~

24 (2) ~~the total assessed value of the personal property in the county~~
25 ~~is less than one million five hundred thousand dollars~~
26 ~~(\$1,500,000); ~~A~~~~

27 ~~the taxpayer filing a consolidated return shall attach a schedule listing,~~
28 ~~by township, all the taxpayer's personal property and the property's~~
29 ~~assessed value. ~~A taxpayer filing a consolidated return is not required~~~~

30 ~~to file a personal property return with the assessor of each township. ~~A~~~~

31 ~~The taxpayer filing a consolidated return shall provide the following:~~

32 ~~(1) the county assessor with the information necessary for the county~~
33 ~~assessor to allocate the assessed value of the taxpayer's personal~~
34 ~~property among the townships listed on the return, including the street~~
35 ~~address, the township, and the location of the property.~~

36 ~~(2) ~~A copy of the consolidated return, with attachments, for each~~~~
37 ~~township listed on the return.~~

38 ~~(e) The county assessor shall provide to each affected township~~
39 ~~assessor in the county all information filed by a taxpayer under~~
40 ~~subsection (d) that affects the township. The county assessor shall~~
41 ~~provide the information before:~~

42 ~~(1) May 25 of each year, for a return filed on or before the filing~~

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1 date for the return; or

2 (2) June 30 of each year, for a return filed after the filing date for
3 the return.

4 (f) The township assessor shall send all required notifications to the
5 taxpayer.

6 (g) (e) The county assessor may refuse to accept a consolidated
7 personal property tax return that does not have attached to it a schedule
8 listing, by township, all the personal property of the taxpayer and the
9 assessed value of the property as required under comply with
10 subsection (d). For purposes of IC 6-1.1-37-7, a consolidated return to
11 which subsection (d) applies is filed on the date it is filed with the
12 county assessor with the schedule of personal property and assessed
13 value required by subsection (d) attached.

14 SECTION 16. IC 6-1.1-3-11 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) For purposes of
16 this section, "inventory" means:

- 17 (1) materials held for processing or for use in production;
- 18 (2) finished or partially finished goods of a manufacturer or
19 processor; and
- 20 (3) property held for sale in the ordinary course of trade or
21 business.

22 (b) For purposes of this section, "dealer" has the meaning set forth
23 in IC 9-13-2-42.

24 (c) For purposes of this section, "established place of business"
25 refers to a place of business that meets the minimum standards
26 prescribed by the bureau of motor vehicles under rules adopted under
27 IC 4-22-2.

28 (d) If the inventory owned or held by a taxpayer on the assessment
29 date of a year does not, in the taxpayer's opinion, fairly represent the
30 average inventory carried by the taxpayer, the taxpayer may elect to list
31 the taxpayer's inventory for assessment on the basis of the average true
32 tax value of the inventory owned or held by the taxpayer during the
33 preceding calendar year, or during the portion of the preceding
34 calendar year that the taxpayer was engaged in business.

35 (e) If a taxpayer elects to use the average method, the taxpayer shall
36 notify the township county assessor of the election at the time the
37 taxpayer files the taxpayer's personal property return. The election,
38 once made, is binding on the taxpayer for the tax year in question and
39 for each year thereafter unless permission to change is granted by the
40 department of local government finance.

41 (f) If a taxpayer elects to use the average method, the taxpayer shall
42 use that method for reporting the value of all the taxpayer's inventories

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1 which are located in this state.

2 (g) Inventory owned by a dealer shall be assessed at the dealer's
3 established place of business.

4 SECTION 17. IC 6-1.1-3-14 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. The ~~township~~
6 **county** assessor shall:

7 (1) examine and verify; or

8 (2) allow a contractor under IC 6-1.1-36-12 to examine and
9 verify;

10 the accuracy of each personal property return filed with the ~~township~~
11 **county** assessor by a taxpayer. If appropriate, the assessor or contractor
12 under IC 6-1.1-36-12 shall compare a return with the books of the
13 taxpayer and with personal property owned, held, possessed,
14 controlled, or occupied by the taxpayer.

15 SECTION 18. IC 6-1.1-3-15 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) In connection
17 with the activities required by section 14 of this chapter, or if a person
18 owning, holding, possessing, or controlling any personal property fails
19 to file a personal property return with the ~~township~~ **county** assessor as
20 required by this chapter, the ~~township~~ **county** assessor may examine:

21 (1) the personal property of the person;

22 (2) the books and records of the person; and

23 (3) under oath, the person or any other person whom the assessor
24 believes has knowledge of the amount, identity, or value of the
25 personal property reported or not reported by the person on a
26 return.

27 (b) After such an examination, the assessor shall assess the personal
28 property to the person owning, holding, possessing, or controlling that
29 property.

30 (c) As an alternative to such an examination, the ~~township~~ **county**
31 assessor may estimate the value of the personal property of the taxpayer
32 and shall assess the person owning, holding, possessing, or controlling
33 the property in an amount based upon the estimate. Upon receiving a
34 notification of estimated value from the ~~township~~ **county** assessor, the
35 taxpayer may elect to file a personal property return, subject to the
36 penalties imposed by IC 6-1.1-37-7.

37 SECTION 19. IC 6-1.1-3-16 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. If, from the
39 evidence before ~~him~~, a ~~township~~ **county assessor**, the ~~county~~ assessor
40 determines that a person has temporarily converted any part of ~~his~~ **the**
41 **person's** personal property into property which is not taxable under
42 this article to avoid the payment of taxes on the converted property, the

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1 township county assessor shall assess the converted property to the
2 taxpayer.

3 SECTION 20. IC 6-1.1-3-17 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) ~~On or before~~
5 ~~June 1~~ of each year, each township assessor of a county shall deliver to
6 the county assessor a list which states by taxing district the total of the
7 personal property assessments as shown on the personal property
8 returns filed with the assessor on or before the filing date of that year
9 and in a county with a township assessor under IC 36-6-5-1 in every
10 township the township assessor shall deliver the lists to the county
11 auditor as prescribed in subsection (b):

12 (b) (a) On or before July 1 of each year, each county assessor shall
13 certify to the county auditor the assessment value of the personal
14 property in every taxing district.

15 (c) (b) The department of local government finance shall prescribe
16 the forms required by this section.

17 SECTION 21. IC 6-1.1-3-18 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (a) ~~Each township~~
19 ~~The county~~ assessor of a county shall periodically report to the county
20 assessor and the county auditor with respect to the returns and
21 properties of taxpayers which the township county assessor has
22 examined. The township county assessor shall submit these reports in
23 the form and on the dates prescribed by the department of local
24 government finance.

25 (b) ~~Each year, on or before the time prescribed by the department of~~
26 ~~local government finance, each township assessor of a county shall~~
27 ~~deliver to the county assessor a copy of each business personal property~~
28 ~~return which the taxpayer is required to file in duplicate under section~~
29 ~~7(c) of this chapter and a copy of any supporting data supplied by the~~
30 ~~taxpayer with the return.~~

31 SECTION 22. IC 6-1.1-3-19 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 19. (a) While a county
33 property tax assessment board of appeals is in session, ~~each township~~
34 ~~the county~~ assessor of the county shall make the following information
35 available to the county assessor and the board:

- 36 (1) Personal property returns.
- 37 (2) Documents related to the returns. ~~and~~
- 38 (3) Any information in the possession of the assessor which is
39 related to the identity of the owners or possessors of property or
40 the values of property.

41 (b) Upon written request of the board, the township county assessor
42 shall furnish this information referred to in subsection (a) to any

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member of the board either directly or through employees of the board.

SECTION 23. IC 6-1.1-3-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. If an assessing official ~~or board~~ changes a valuation made by a person on ~~his~~ **the person's** personal property return or adds personal property and its value to a return, the assessing official ~~or board~~ shall, by mail, immediately give the person notice of the action taken. However, if a taxpayer lists property on ~~his~~ **the taxpayer's** return but does not place a value on the property, a notice of the action of an assessing official ~~or board~~ in placing a value on the property is not required.

SECTION 24. IC 6-1.1-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 21. ~~(a)~~ Subject to the limitations ~~contained~~ in IC 6-1.1-35-9, assessment returns, lists, and any other documents and information related to the determination of personal property assessments shall be preserved as public records and open to public inspection. The ~~township~~ **county** assessor shall preserve and maintain these records. ~~if quarters for his office are provided in the county court house; or a branch thereof. If quarters are not provided for the township assessor; he shall, as soon as he completes his audit of a return; deliver the return and all related documents and information to the county assessor; and the county assessor shall maintain and preserve the items. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.~~

~~(b) Each county shall furnish an office for a township assessor in the county courthouse; or a branch thereof; if the township he serves has a population of thirty-five thousand (35,000) or more. A county may furnish an office in the county courthouse; or branch thereof; for any township assessor.~~

SECTION 25. IC 6-1.1-4-4, AS AMENDED BY P.L.228-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2000, and be the basis for taxes payable in 2003.

(b) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2009, and each fifth year thereafter. Each reassessment under this subsection:

(1) shall be completed on or before March 1, of the year that succeeds by two (2) years the year in which the general reassessment begins; and

(2) shall be the basis for taxes payable in the year following the year in which the general assessment is to be completed.

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(c) In order to ensure that assessing officials ~~and members of each county property tax assessment board of appeals~~ are prepared for a general reassessment of real property, the department of local government finance shall give adequate advance notice of the general reassessment to the ~~county and township~~ **taxing assessing** officials of each county.

SECTION 26. IC 6-1.1-4-4.7, AS ADDED BY P.L.228-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4.7. (a) For purposes of this section, "assessor" means:

(1) a township assessor; or

(2) a county assessor who assumes the responsibility for verifying sales under 50 IAC 21-3-2(b);

(b) The department of local government finance shall provide training to **county** assessors and county auditors with respect to the verification of sales disclosure forms under 50 IAC 21-3-2.

SECTION 27. IC 6-1.1-4-12.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12.4. (a) For purposes of this section, the term "oil or gas interest" includes but is not limited to:

(1) royalties;

(2) overriding royalties;

(3) mineral rights; or

(4) working interest; in any oil or gas located on or beneath the surface of land which lies within this state.

(b) Oil or gas interest is subject to assessment and taxation as real property. Notwithstanding ~~the provisions of IC 1971, 6-1.1-4-4, section 4 of this chapter,~~ each oil or gas interest shall be assessed annually by the assessor of the **township county** in which the oil or gas is located. The **township county** assessor shall assess the oil or gas interest to the person who owns or operates the interest.

(c) A piece of equipment is an appurtenance to land if it is incident to and necessary for the production of oil and gas from the land covered by the oil or gas interest. This equipment includes but is not limited to wells, pumping units, lines, treaters, separators, tanks, and secondary recovery facilities. These appurtenances are subject to ~~assessment~~ **assessment** as real property. Notwithstanding ~~the provisions of IC 1971, 6-1.1-4-4, section 4 of this chapter,~~ each of these appurtenances shall be assessed annually by the assessor of the **township county** in which the appurtenance is located. The **township county** assessor shall assess the appurtenance to the person who owns or operates the working interest in the oil or gas interest.

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SECTION 28. IC 6-1.1-4-12.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12.6. (a) For purposes of this section, the term "secondary recovery method" includes but is not limited to the stimulation of oil production by means of the injection of water, steam, hydrocarbons, or chemicals, or by means of in situ combustion.

(b) The total assessed value of all interests in the oil located on or beneath the surface of a particular tract of land equals the product of:

- (1) the average daily production of the oil; multiplied by
- (2) three hundred sixty-five (365); and multiplied by
- (3) the posted price of oil on the assessment date.

However, if the oil is being extracted by use of a secondary recovery method, the total assessed value of all interests in the oil equals one-half (1/2) the assessed value computed under the formula prescribed in this subsection. The ~~appropriate township county~~ assessor shall, in the manner prescribed by the department of local government finance, apportion the total assessed value of all interests in the oil among the owners of those interests.

(c) The ~~appropriate township county~~ assessor shall, in the manner prescribed by the department of local government finance, determine and apportion the total assessed value of all interests in the gas located beneath the surface of a particular tract of land.

(d) The department of local government finance shall prescribe a schedule for ~~township county~~ assessors to use in assessing the appurtenances described in section 12.4(c) of this chapter.

SECTION 29. IC 6-1.1-4-13.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13.6. (a) The ~~township county~~ assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the ~~township county~~ using guidelines determined by the department of local government finance. Not later than November 1 of the year preceding the year in which a general reassessment becomes effective, the assessor determining the values of land shall submit the values to the county property tax assessment board of appeals. Not later than December 1 of the year preceding the year in which a general reassessment becomes effective, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1 and shall hold the hearing after March 31 and before December 1 of the year preceding the year in which the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** becomes effective.

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(b) The county property tax assessment board of appeals shall review the values submitted under subsection (a) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the department of local government finance. If the county assessor ~~or township assessor~~ fails to submit land values under subsection (a) to the county property tax assessment board of appeals before November 1 of the year before the date the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** becomes effective, the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the general reassessment becomes effective, the department of local government finance shall determine the values.

(c) The county assessor shall ~~notify all township assessors in the county of use~~ the values as modified by the county property tax assessment board of appeals. ~~Township assessors shall use the values determined under this section.~~

SECTION 30. IC 6-1.1-4-13.8, AS AMENDED BY P.L.228-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13.8. (a) As used in this section, "commission" refers to a county land valuation commission established under subsection (b).

(b) Subject to subsection ~~(j)~~; **(k)**, a county land valuation commission is established in each county for the purpose of determining the value of commercial, industrial, and residential land (including farm homesites) in the county.

(c) The county assessor is chairperson of the commission.

(d) The following are members of the commission:

(1) The county assessor. The county assessor shall cast a vote only to break a tie.

~~(2) Each township assessor; when the respective township land values for that township assessor's township are under consideration. A township assessor serving under this subdivision shall vote on all matters relating to the land values of that township assessor's township.~~

~~(3) One (1) township assessor from the county to be appointed by a majority vote of all the township assessors in the county.~~

~~(4)~~ **(2)** One (1) county resident who:

(A) holds a license under IC 25-34.1-3 as a salesperson or

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broker; and

(B) is appointed by:

- (i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or
- (ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).

~~(5)~~ (3) Four (4) individuals who:

(A) are appointed by the county executive (as defined in IC 36-1-2-5); and

(B) represent one (1) of the following four (4) kinds of land in the county:

- (i) Agricultural.
- (ii) Commercial.
- (iii) Industrial.
- (iv) Residential.

Each of the four (4) kinds of land in the county must be represented by one (1) individual appointed under this subdivision.

~~(6)~~ (4) One (1) individual who:

(A) represents financial institutions in the county; and

(B) is appointed by:

- (i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or
- (ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).

(e) The term of each member of the commission begins November 1 of the year that precedes by two (2) years the year in which a general reassessment begins under ~~IC 6-1-1-4-4~~, **section 4 of this chapter**, and ends January 1 of the year in which the general reassessment begins under ~~IC 6-1-1-4-4~~, **section 4 of this chapter**. The appointing authority may fill a vacancy for the remainder of the vacated term.

(f) The commission shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the department of local government finance. Not later than November 1 of the year preceding the year in which a general reassessment begins, the commission determining the values of land shall submit the values, all data supporting the values, and all information required under rules of the department of local government finance relating to the determination of land values to the county property tax assessment board of appeals and the department of local government finance. Not later than January 1 of the year in which a general reassessment begins, the county

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property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1 and shall hold the hearing after March 31 of the year preceding the year in which the general reassessment begins and before January 1 of the year in which the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** begins.

(g) The county property tax assessment board of appeals shall review the values, data, and information submitted under subsection (f) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the department of local government finance. If the commission fails to submit land values under subsection (f) to the county property tax assessment board of appeals before January 1 of the year the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** begins, the county property tax assessment board of appeals shall determine the values.

(h) The county property tax assessment board of appeals shall give notice to the county ~~and township assessors~~ **assessor** of its decision on the values. The notice must be given before March 1 of the year the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** begins. Not later than twenty (20) days after that notice, the county assessor ~~or a township assessor in the county~~ may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals shall hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(i) Not later than twenty (20) days after notice to the county ~~and township~~ assessor is given under subsection (h), a taxpayer may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals may hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(j) A taxpayer may appeal the value determined under this section as applied to the taxpayer's land as part of an appeal filed under IC 6-1.1-15 after the taxpayer has received a notice of assessment. If a taxpayer that files an appeal under IC 6-1.1-15 requests the values,

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1 data, or information received by the county property tax assessment
 2 board of appeals under subsection (f), the county property tax
 3 assessment board of appeals shall satisfy the request. The department
 4 of local government finance may modify the taxpayer's land value and
 5 the value of any other land in the township, the county where the
 6 taxpayer's land is located, or the adjacent county if the department of
 7 local government finance determines it is necessary to provide
 8 uniformity and equality.

9 ~~(k) The county assessor shall notify all township assessors in the~~
 10 ~~county of the values as determined by the commission and as modified~~
 11 ~~by the county property tax assessment board of appeals or department~~
 12 ~~of local government finance under this section. Township assessors~~
 13 ~~shall use the values determined under this section.~~

14 ~~(†) (k) After notice to the county assessor and all township assessors~~
 15 ~~in the county; a majority of the assessors authorized to vote under this~~
 16 ~~subsection may vote to~~ **The county assessor may** abolish the county
 17 land valuation commission established under subsection (b). ~~Each~~
 18 ~~township assessor and the county assessor has one (†) vote.~~ The county
 19 assessor shall give written notice to

20 ~~(†) each member of the county land valuation commission and~~
 21 ~~(2) each township assessor in the county;~~
 22 of the abolishment of the commission under this subsection.

23 SECTION 31. IC 6-1.1-4-15 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) If real property
 25 is subject to assessment or reassessment under this chapter, the **county**
 26 ~~assessor of the township in which the property is located~~ shall either
 27 appraise the property ~~himself~~ or have it appraised.

28 (b) In order to determine the assessed value of buildings and other
 29 improvements, the ~~township~~ **county** assessor or ~~his~~ **the county**
 30 **assessor's** authorized representative may, after first making known ~~his~~
 31 **the county assessor's or representative's** intention to the owner or
 32 occupant, enter and fully examine all buildings and structures which
 33 are located within the ~~township he serves~~ **county** and which are subject
 34 to assessment.

35 SECTION 32. IC 6-1.1-4-16, AS AMENDED BY P.L.228-2005,
 36 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2007]: Sec. 16. (a) For purposes of making a general
 38 reassessment of real property or annual adjustments under section 4.5
 39 of this chapter, any ~~township assessor and any~~ county assessor may
 40 employ:

- 41 (1) deputies;
 42 (2) employees; and

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(3) technical advisors who are:

(A) qualified to determine real property values;

(B) professional appraisers certified under 50 IAC 15; and

(C) employed either on a full-time or a part-time basis, subject to sections 18.5 and 19.5 of this chapter.

(b) The county council of each county shall appropriate the funds necessary for the employment of deputies, employees, or technical advisors employed under subsection (a) of this section.

SECTION 33. IC 6-1.1-4-17, AS AMENDED BY P.L.228-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) Subject to the approval of the department of local government finance and the requirements of section 18.5 of this chapter, a

~~(1) township assessor; or~~

~~(2) group consisting of the county assessor and the township assessors in a county;~~

may employ professional appraisers as technical advisors. A decision by one ~~(1)~~ or more assessors referred to in subdivisions ~~(1)~~ and ~~(2)~~ a **county assessor** to not employ a professional appraiser as a technical advisor in a general reassessment is subject to approval by the department of local government finance.

~~(b) After notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to:~~

~~(1) employ a professional appraiser to act as a technical advisor in the county during a general reassessment period;~~

~~(2) appoint an assessor or a group of assessors to:~~

~~(A) enter into and administer the contract with a professional appraiser employed under this section; and~~

~~(B) oversee the work of a professional appraiser employed under this section:~~

Each township assessor and the county assessor has one ~~(1)~~ vote. A decision by a majority of the persons authorized to vote is binding on the county assessor and all township assessors in the county. Subject to the limitations in section 18.5 of this chapter, the assessor or assessors appointed under subdivision ~~(2)~~ may contract with a professional appraiser employed under this section to supply technical advice during a general reassessment period for all townships in the county. A proportionate part of the appropriation to all townships for assessing purposes shall be used to pay for the technical advice:

~~(c)~~ **(b)** As used in this chapter, "professional appraiser" means an individual or firm that is certified under IC 6-1.1-31.7.

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SECTION 34. IC 6-1.1-4-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18.5. (a) A ~~township assessor, a group of township assessors, or the~~ county assessor may not use the services of a professional appraiser for assessment or reassessment purposes without a written contract. The contract used must be either a standard contract developed by the state board of tax commissioners (before the board was abolished) or the department of local government finance or a contract which has been specifically approved by the board or the department. The department shall ensure that the contract:

(1) includes all of the provisions required under section 19.5(b) of this chapter; and

(2) adequately provides for the creation and transmission of real property assessment data in the form required by the legislative services agency and the division of data analysis of the department.

(b) No contract shall be made with any professional appraiser to act as technical advisor in the assessment of property, before the giving of notice and the receiving of bids from anyone desiring to furnish this service. Notice of the time and place for receiving bids for the contract shall be given by publication by one (1) insertion in two (2) newspapers of general circulation published in the county and representing each of the two (2) leading political parties in the county. ~~or~~ If only one (1) newspaper is there published, notice in that one (1) newspaper is sufficient to comply with the requirements of this subsection. The contract shall be awarded to the lowest and best bidder who meets all requirements under law for entering a contract to serve as technical advisor in the assessment of property. However, any and all bids may be rejected, and new bids may be asked.

(c) The county council of each county shall appropriate the funds needed to meet the obligations created by a professional appraisal services contract which is entered into under this chapter.

SECTION 35. IC 6-1.1-4-19.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 19.5. (a) The department of local government finance shall develop a standard contract or standard provisions for contracts to be used in securing professional appraising services.

(b) The standard contract or contract provisions must contain:

(1) a fixed date by which the professional appraiser or appraisal firm shall have completed all responsibilities under the contract;

(2) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified

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services within the specified time;

(3) a provision requiring the appraiser, or appraisal firm, to make periodic reports to the ~~township assessors involved;~~ **county assessor;**

(4) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (3) of this subsection are to be made;

(5) a precise stipulation of what service or services are to be provided and what class or classes of property are to be appraised;

(6) a provision stipulating that the contractor will generate complete parcel characteristics and parcel assessment data in a manner and format acceptable to the legislative services agency and the department of local government finance; and

(7) a provision stipulating that the legislative services agency and the department of local government finance have unrestricted access to the contractor's work product under the contract.

The department of local government finance may devise other necessary provisions for the contracts in order to give effect to ~~the provisions of~~ this chapter.

(c) In order to comply with the duties assigned to it by this section, the department of local government finance may develop:

(1) one (1) or more model contracts;

(2) one (1) contract with alternate provisions; or

(3) any combination of subdivisions (1) and (2).

The department may approve special contract language in order to meet any unusual situations.

SECTION 36. IC 6-1.1-4-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. The department of local government finance may establish a period with respect to each general reassessment that is the only time during which a ~~township or~~ county assessor may enter into a contract with a professional appraiser. The period set by the department of local government finance may not begin before January 1 of the year the general reassessment begins. If no period is established by the department of local government finance, a ~~township or~~ county assessor may enter into such a contract only on or after January 1 and before April 16 of the year in which the general reassessment is to commence.

SECTION 37. IC 6-1.1-4-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 21. (a) If, during a period of general reassessment, a ~~township county~~ assessor **personally** makes the real property appraisals, ~~himself,~~ the appraisals of the parcels subject to taxation must be completed as follows:

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(1) The appraisal of one-fourth (1/4) of the parcels shall be completed before December 1 of the year in which the general reassessment begins.

(2) The appraisal of one-half (1/2) of the parcels shall be completed before May 1 of the year following the year in which the general reassessment begins.

(3) The appraisal of three-fourths (3/4) of the parcels shall be completed before October 1 of the year following the year in which the general reassessment begins.

(4) The appraisal of all the parcels shall be completed before March 1 of the second year following the year in which the general reassessment begins.

(b) If a **township county** assessor employs a professional appraiser or a professional appraisal firm to make real property appraisals during a period of general reassessment, the professional appraiser or appraisal firm must file appraisal reports with the **township county** assessor as follows:

(1) The appraisals for one-fourth (1/4) of the parcels shall be reported before December 1 of the year in which the general reassessment begins.

(2) The appraisals for one-half (1/2) of the parcels shall be reported before May 1 of the year following the year in which the general reassessment begins.

(3) The appraisals for three-fourths (3/4) of the parcels shall be reported before October 1 of the year following the year in which the general reassessment begins.

(4) The appraisals for all the parcels shall be reported before March 1 of the second year following the year in which the general reassessment begins.

However, the reporting requirements prescribed in this subsection do not apply if the contract under which the professional appraiser, or appraisal firm, is employed prescribes different reporting procedures.

SECTION 38. IC 6-1.1-4-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 22. (a) If any assessing official ~~or any county property tax assessment board of appeals~~ assesses or reassesses any real property under ~~the provisions of this~~ article, the official ~~or county property tax assessment board of appeals~~ shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment.

(b) During a period of general reassessment, each **township county** assessor shall mail the notice required by this section within ninety (90) days after ~~he~~ **the county assessor**:

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(1) completes ~~his~~ the appraisal of a parcel; or

(2) receives a report for a parcel from a professional appraiser or professional appraisal firm.

SECTION 39. IC 6-1.1-4-25, AS AMENDED BY P.L.177-2005, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 25. (a) Each ~~township~~ county assessor shall keep the assessor's reassessment data and records current by securing the necessary field data and by making changes in the assessed value of real property as changes occur in the use of the real property. The ~~township~~ county assessor's records shall at all times show the assessed value of real property in accordance with ~~the provisions of~~ this chapter. ~~The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.~~

(b) The ~~township~~ assessor in a county having a consolidated city, or the county assessor in every other county, shall:

(1) maintain an electronic data file of:

(A) the parcel characteristics and parcel assessments of all parcels; and

(B) the personal property return characteristics and assessments by return;

for each township in the county as of each assessment date;

(2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:

(A) the legislative services agency; and

(B) the department of local government finance;

(3) transmit the data in the file with respect to the assessment date of each year before October 1 of the year to:

(A) the legislative services agency; and

(B) the department of local government finance;

in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the department of local government finance, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the department of local government finance.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a

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copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 40. IC 6-1.1-4-27.5, AS AMENDED BY P.L.228-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 27.5. (a) The auditor of each county shall establish a property reassessment fund. The county treasurer shall deposit all collections resulting from the property taxes that the county levies for the county's property reassessment fund.

(b) With respect to the general reassessment of real property that is to commence on July 1, 2009, the county council of each county shall, for property taxes due in 2006, 2007, 2008, and 2009, levy in each year against all the taxable property in the county an amount equal to one-fourth (1/4) of the remainder of:

- (1) the estimated costs referred to in section 28.5(a) of this chapter; minus
- (2) the amount levied under this section by the county council for property taxes due in 2004 and 2005.

(c) With respect to a general reassessment of real property that is to commence on July 1, 2014, and each fifth year thereafter, the county council of each county shall, for property taxes due in the year that the general reassessment is to commence and the four (4) years preceding that year, levy against all the taxable property in the county an amount equal to one-fifth (1/5) of the estimated costs of the general reassessment under section 28.5 of this chapter.

(d) The department of local government finance shall give to each county council notice, before January 1 in a year, of the tax levies required by this section for that year.

(e) The department of local government finance may raise or lower the property tax levy under this section for a year if the department determines it is appropriate because the estimated cost of:

- (1) a general reassessment; or
- (2) making annual adjustments under section 4.5 of this chapter; has changed.

(f) The county assessor or ~~township assessor~~ may petition the county fiscal body to increase the levy under subsection (b) or (c) to pay for the costs of:

- (1) a general reassessment;
- (2) verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3; or
- (3) processing annual adjustments under section 4.5 of this

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chapter.

The assessor must document the needs and reasons for the increased funding.

(g) If the county fiscal body denies a petition under subsection (f), the **county** assessor may appeal to the department of local government finance. The department of local government finance shall:

(1) hear the appeal; and

(2) determine whether the additional levy is necessary.

SECTION 41. IC 6-1.1-4-28.5, AS AMENDED BY P.L.88-2005, SECTION 7, AND AS AMENDED BY P.L.228-2005, SECTION 10, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 28.5. (a) Money assigned to a property reassessment fund under section 27.5 of this chapter may be used only to pay the costs of:

(1) the general reassessment of real property, including the computerization of assessment records;

(2) payments to **county assessors; members of property tax assessment boards of appeals; or assessing officials and hearing officers for county property tax assessment boards of appeals** under IC 6-1.1-35.2;

(3) the development or updating of detailed soil survey data by the United States Department of Agriculture or its successor agency;

(4) the updating of plat books; ~~and~~

(5) payments for the salary of permanent staff or for the contractual services of temporary staff who are necessary to assist **county assessors; members of a county property tax assessment board of appeals; and** assessing officials;

(6) ~~making annual adjustments under section 4.5 of this chapter; and~~

(7) ~~the verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3.~~

(b) All counties shall use modern, detailed soil maps in the general reassessment of agricultural land.

(c) The county treasurer of each county shall, in accordance with IC 5-13-9, invest any money accumulated in the property reassessment fund. ~~until the money is needed to pay general reassessment expenses.~~ Any interest received from investment of the money shall be paid into the property reassessment fund.

~~(d) An appropriation under this section must be approved by the fiscal body of the county after the review and recommendation of the county assessor. However, in a county with an elected township~~

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assessor in every township; the county assessor does not review an appropriation under this section; and only the fiscal body must approve an appropriation under this section.

SECTION 42. IC 6-1.1-4-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 29. (a) The expenses of a reassessment, except those incurred by the department of local government finance in performing its normal functions, shall be paid by the county in which the reassessed property is situated. These expenses, except for the expenses of a general reassessment, shall be paid from county funds. The county auditor shall issue warrants for the payment of reassessment expenses. No prior appropriations are required in order for the auditor to issue warrants.

(b) An order of the department of local government finance directing the reassessment of property shall contain an estimate of the cost of making the reassessment. The ~~local~~ assessing officials in the county, ~~assessor~~, the county property tax assessment board of appeals, and the county auditor may not exceed the amount so estimated by the department of local government finance.

SECTION 43. IC 6-1.1-4-31, AS AMENDED BY P.L.228-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 31. (a) The department of local government finance shall periodically check the conduct of:

- (1) a general reassessment of property;
- (2) work required to be performed by local officials under 50 IAC 21; and
- (3) other property assessment activities in the county, as determined by the department.

The department of local government finance may inform ~~township assessors~~, county assessors and the presidents of county councils in writing if its check reveals that the general reassessment or other property assessment activities are not being properly conducted, work required to be performed by local officials under 50 IAC 21 is not being properly conducted, or property assessments are not being properly made.

(b) The failure of the department of local government finance to inform local officials under subsection (a) shall not be construed as an indication by the department that:

- (1) the general reassessment or other property assessment activities are being properly conducted;
- (2) work required to be performed by local officials under 50 IAC 21 is being properly conducted; or
- (3) property assessments are being properly made.

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(c) If the department of local government finance:

(1) determines under subsection (a) that a general reassessment or other assessment activities for a general reassessment year or any other year are not being properly conducted; and

(2) informs:

~~(A) the township assessor of each affected township;~~

~~(B)~~ (A) the county assessor; and

~~(C)~~ (B) the president of the county council;

in writing under subsection (a);

the department may order a state conducted assessment or reassessment under section 31.5 of this chapter to begin not less than sixty (60) days after the date of the notice under subdivision (2). If the department determines during the period between the date of the notice under subdivision (2) and the proposed date for beginning the state conducted assessment or reassessment that the general reassessment or other assessment activities for the general reassessment are being properly conducted, the department may rescind the order.

(d) If the department of local government finance:

(1) determines under subsection (a) that work required to be performed by local officials under 50 IAC 21 is not being properly conducted; and

(2) informs:

~~(A) the township assessor of each affected township;~~

~~(B)~~ (A) the county assessor; and

~~(C)~~ (B) the president of the county council;

in writing under subsection (a);

the department may conduct the work or contract to have the work conducted to begin not less than sixty (60) days after the date of the notice under subdivision (2). If the department determines during the period between the date of the notice under subdivision (2) and the proposed date for beginning the work or having the work conducted that work required to be performed by local officials under 50 IAC 21 is being properly conducted, the department may rescind the order.

(e) If the department of local government finance contracts to have work conducted under subsection (d), the department shall forward the bill for the services to the county and the county shall pay the bill under the same procedures that apply to county payments of bills for assessment or reassessment services under section 31.5 of this chapter.

SECTION 44. IC 6-1.1-4-31.5, AS ADDED BY P.L.228-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 31.5. ~~(a) As used in this section, "assessment official" means any of the following:~~

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(1) ~~A county assessor.~~

(2) ~~A township assessor.~~

(3) ~~A township trustee-assessor.~~

(b) (a) As used in this section, "department" refers to the department of local government finance.

(c) (b) If the department makes a determination and informs local officials under section 31(c) of this chapter, the department may order a state conducted assessment or reassessment in the county subject to the time limitation in that subsection.

(d) (c) If the department orders a state conducted assessment or reassessment in a county, the department shall assume the duties of the ~~county's assessment officials; county assessor.~~ Notwithstanding sections 15 and 17 of this chapter, ~~an assessment official in a county~~ **assessor** subject to an order issued under this section may not assess property or have property assessed for the assessment or general reassessment. Until the state conducted assessment or reassessment is completed under this section, the assessment or reassessment duties of ~~an assessment official in the county~~ **assessor** are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

(e) (d) Before assuming the duties of a ~~county's assessment officials; county assessor,~~ the department shall transmit a copy of the department's order requiring a state conducted assessment or reassessment to the ~~county's assessment officials; county assessor,~~ the county fiscal body, the county auditor, and the county treasurer. Notice of the department's actions must be published one (1) time in a newspaper of general circulation published in the county. The department is not required to conduct a public hearing before taking action under this section.

(f) ~~Township and county officials in~~ (e) A county **assessor** subject to an order issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

- (1) data;
- (2) records;
- (3) maps;
- (4) parcel record cards;
- (5) forms;
- (6) computer software systems;
- (7) computer hardware systems; and
- (8) other information;

related to the assessment or reassessment of real property in the county.

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The information described in this subsection must be provided at no cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to an assessment or a general reassessment and is subject to IC 6-1.1-37-2.

~~(g)~~ (f) The department may enter into a contract with a professional appraising firm to conduct an assessment or reassessment under this section. If a county ~~or a township located in the county~~ entered into a contract with a professional appraising firm to conduct the county's assessment or reassessment before the department orders a state conducted assessment or reassessment in the county under this section, the contract:

(1) is as valid as if it had been entered into by the department; and

(2) shall be treated as the contract of the department.

~~(h)~~ (g) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection ~~(g)~~, (f), the department shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment. The notice of assessment or reassessment:

(1) is subject to appeal by the taxpayer under section 31.7 of this chapter; and

(2) must include a statement of the taxpayer's rights under section 31.7 of this chapter.

~~(i)~~ (h) The department shall forward a bill for services provided under a contract described in subsection ~~(g)~~ (f) to the auditor of the county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection ~~(j)~~ (i).

~~(j)~~ (i) A county subject to an order issued under this section shall pay the cost of a contract described in subsection ~~(g)~~, (f), without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

(1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed under the contract;

(2) obtains from the department:

(A) approval of the form and amount of the bill; and

(B) a certification that the billed goods and services have been received and comply with the contract; and

(3) files with the county auditor:

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- (A) a duplicate copy of the bill submitted to the department;
- (B) proof of the department's approval of the form and amount of the bill; and
- (C) the department's certification that the billed goods and services have been received and comply with the contract.

The department's approval and certification of a bill under subdivision (2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit ~~publish the claim as required by IC 36-2-6-3;~~ and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the ~~completion of the publication requirements under IC 36-2-6-3;~~ **date the claim is certified by the county fiscal officer if the procedures in IC 5-11-10-2 are used to approve the claim or the date the claim is placed on the claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are used to approve the claim.** Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

~~(k)~~ **(j)** Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.

~~(l)~~ **(k)** If money in the county's property reassessment fund is insufficient to pay for an assessment or reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the assessment or reassessment.

~~(m)~~ **(l)** The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a

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county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's ~~assessment~~ **assessing** officials of the land values determined under this subsection.

~~(n)~~ **(m)** A contractor of the department may notify the department if:

- (1) a county auditor fails to:
 - (A) certify the contractor's bill;
 - (B) publish the contractor's claim;
 - (C) submit the contractor's claim to the county executive; or
 - (D) issue a warrant or check for payment of the contractor's bill;

as required by subsection ~~(j)~~ **(i)** at the county auditor's first legal opportunity to do so;

- (2) a county executive fails to allow the contractor's claim as legally required by subsection ~~(j)~~ **(i)** at the county executive's first legal opportunity to do so; or

- (3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

~~(o)~~ **(n)** The department, upon receiving notice under subsection ~~(n)~~ **(m)** from a contractor of the department, shall:

- (1) verify the accuracy of the contractor's assertion in the notice that:

- (A) a failure occurred as described in subsection ~~(n)(1)~~ **(m)(1)** or ~~(n)(2)~~ **(m)(2)**; or
- (B) a person or an entity acted or failed to act as described in subsection ~~(n)(3)~~ **(m)(3)**; and

- (2) provide to the treasurer of state the department's approval under subsection ~~(j)(2)(A)~~ **(i)(2)(A)** of the contractor's bill with respect to which the contractor gave notice under subsection ~~(n)~~ **(m)**.

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~~(p)~~ (o) Upon receipt of the department's approval of a contractor's bill under subsection ~~(o)~~, (n), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for distribution to the county, including distributions from the property tax replacement fund or distribution of admissions taxes or wagering taxes.

~~(q)~~ (p) The treasurer of state shall withhold from the money that would be distributed under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or any other law to a county described in a notice provided under subsection ~~(n)~~ (m) the amount of a payment made by the treasurer of state to the contractor of the department under subsection ~~(p)~~: (o). Money shall be withheld first from the money payable to the county under IC 6-1.1-21-4(b) and then from all other sources payable to the county.

~~(r)~~ (q) Compliance with subsections ~~(n)~~ (m) through ~~(q)~~ (p) constitutes compliance with IC 5-11-10.

~~(s)~~ (r) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections ~~(n)~~ (m) through ~~(q)~~: (p). This subsection and subsections ~~(n)~~ (m) through ~~(q)~~ (p) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

~~(t)~~ (s) The provisions of this section are severable as provided in IC 1-1-1-8(b).

SECTION 45. IC 6-1.1-4-31.6, AS ADDED BY P.L.228-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 31.6. (a) Subject to the other requirements of this section, the department of local government finance may:

(1) negotiate an addendum to a contract referred to in ~~section 31.5(g)~~ **section 31.5(f)** of this chapter that is treated as a contract of the department; or

(2) include provisions in a contract entered into by the department under ~~section 31.5(g)~~ **section 31.5(f)** of this chapter; to require the contractor of the department to represent the department in appeals initiated under section 31.7 of this chapter and to afford to taxpayers an opportunity to attend an informal hearing.

(b) The purpose of the informal hearing referred to in subsection (a) is to:

(1) discuss the specifics of the taxpayer's assessment or reassessment;

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- (2) review the taxpayer's property record card;
- (3) explain to the taxpayer how the assessment or reassessment was determined;
- (4) provide to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or reassessment;
- (5) note and consider objections of the taxpayer;
- (6) consider all errors alleged by the taxpayer; and
- (7) otherwise educate the taxpayer about:
 - (A) the taxpayer's assessment or reassessment;
 - (B) the assessment or reassessment process; and
 - (C) the assessment or reassessment appeal process under section 31.7 of this chapter.

(c) Following an informal hearing referred to in subsection (b), the contractor shall:

- (1) make a recommendation to the department of local government finance as to whether a change in the reassessment is warranted; and
- (2) if recommending a change under subdivision (1), provide to the department a statement of:
 - (A) how the changed assessment or reassessment was determined; and
 - (B) the amount of the changed assessment or reassessment.

(d) To preserve the right to appeal under section 31.7 of this chapter, a taxpayer must initiate the informal hearing process by notifying the department of local government finance or its designee of the taxpayer's intent to participate in an informal hearing referred to in subsection (b) not later than forty-five (45) days after the department of local government finance gives notice under ~~section 31.5(h)~~ **section 31.5(g)** of this chapter to taxpayers of the amount of the reassessment.

(e) The informal hearings referred to in subsection (b) must be conducted:

- (1) in the county where the property is located; and
- (2) in a manner determined by the department of local government finance.

(f) The department of local government finance shall:

- (1) consider the recommendation of the contractor under subsection (c); and
- (2) if the department accepts a recommendation that a change in the assessment or reassessment is warranted, accept or modify the recommended amount of the changed assessment or reassessment.

(g) The department of local government finance shall send a notice

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of the result of each informal hearing to:

- (1) the taxpayer;
- (2) the county auditor; **and**
- (3) the county assessor. ~~and~~
- ~~(4) the township assessor of the township in which the property is located.~~

(h) A notice under subsection (g) must:

- (1) state whether the assessment or reassessment was changed as a result of the informal hearing; and
- (2) if the assessment or reassessment was changed as a result of the informal hearing:
 - (A) indicate the amount of the changed assessment or reassessment; and
 - (B) provide information on the taxpayer's right to appeal under section 31.7 of this chapter.

(i) If the department of local government finance does not send a notice under subsection (g) not later than two hundred seventy (270) days after the date the department gives notice of the amount of the assessment or reassessment under ~~section 31.5(h)~~ **section 31.5(g)** of this chapter:

- (1) the department may not change the amount of the assessment or reassessment under the informal hearing process described in this section; and
- (2) the taxpayer may appeal the assessment or reassessment under section 31.7 of this chapter.

(j) The department of local government finance may adopt rules to establish procedures for informal hearings under this section.

(k) Payment for an addendum to a contract under subsection (a)(1) is made in the same manner as payment for the contract under ~~section 31.5(i)~~ **section 31.5(i)** of this chapter.

SECTION 46. IC 6-1.1-4-31.7, AS ADDED BY P.L.228-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 31.7. (a) As used in this section, "special master" refers to a person designated by the Indiana board under subsection (e).

(b) The notice of assessment or reassessment under ~~section 31.5(h)~~ **section 31.5(g)** of this chapter is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance do not apply to an appeal under this subsection. The Indiana board may establish applicable procedures and time limitations under subsection (l).

(c) In order to appeal under subsection (b), the taxpayer must:

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(1) participate in the informal hearing process under section 31.6 of this chapter;

(2) except as provided in section 31.6(i) of this chapter, receive a notice under section 31.6(g) of this chapter; and

(3) file a petition for review with the appropriate county assessor not later than thirty (30) days after:

(A) the date of the notice to the taxpayer under section 31.6(g) of this chapter; or

(B) the date after which the department may not change the amount of the assessment or reassessment under the informal hearing process described in section 31.6 of this chapter.

(d) The Indiana board may develop a form for petitions under subsection (c) that outlines:

(1) the appeal process;

(2) the burden of proof; and

(3) evidence necessary to warrant a change to an assessment or reassessment.

(e) The Indiana board may contract with, appoint, or otherwise designate the following to serve as special masters to conduct evidentiary hearings and prepare reports required under subsection (g):

(1) Independent, licensed appraisers.

(2) Attorneys.

(3) Certified level two Indiana assessor-appraisers (including administrative law judges employed by the Indiana board).

(4) Other qualified individuals.

(f) Each contract entered into under subsection (e) must specify the appointee's compensation and entitlement to reimbursement for expenses. The compensation and reimbursement for expenses are paid from the county property reassessment fund.

(g) With respect to each petition for review filed under subsection (c), the special masters shall:

(1) set a hearing date;

(2) give notice of the hearing at least thirty (30) days before the hearing date, by mail, to:

(A) the taxpayer;

(B) the department of local government finance;

~~(C) the township assessor;~~ and

~~(D)~~ (C) the county assessor;

(3) conduct a hearing and hear all evidence submitted under this section; and

(4) make evidentiary findings and file a report with the Indiana board.

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(h) At the hearing under subsection (g):

(1) the taxpayer shall present:

(A) the taxpayer's evidence that the assessment or reassessment is incorrect;

(B) the method by which the taxpayer contends the assessment or reassessment should be correctly determined; and

(C) comparable sales, appraisals, or other pertinent information concerning valuation as required by the Indiana board; and

(2) the department of local government finance shall present its evidence that the assessment or reassessment is correct.

(i) The Indiana board may dismiss a petition for review filed under subsection (c) if the evidence and other information required under subsection (h)(1) is not provided at the hearing under subsection (g).

(j) The ~~township assessor and the~~ county assessor may attend and participate in the hearing under subsection (g).

(k) The Indiana board may:

(1) consider the report of the special masters under subsection (g)(4);

(2) make a final determination based on the findings of the special masters without:

(A) conducting a hearing; or

(B) any further proceedings; and

(3) incorporate the findings of the special masters into the board's findings in resolution of the appeal.

(l) The Indiana board may adopt rules under IC 4-22-2-37.1 to:

(1) establish procedures to expedite:

(A) the conduct of hearings under subsection (g); and

(B) the issuance of determinations of appeals under subsection (k); and

(2) establish deadlines:

(A) for conducting hearings under subsection (g); and

(B) for issuing determinations of appeals under subsection (k).

(m) A determination by the Indiana board of an appeal under subsection (k) is subject to appeal to the tax court under IC 6-1.1-15.

SECTION 47. IC 6-1.1-4-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) As used in this section, "contract" refers to a contract entered into under this section.

(b) As used in this section, "contractor" refers to a firm that enters into a contract with the department of local government finance under this section.

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(c) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(d) At least one (1) time each month, the contractors that will make physical visits to the site of real property for reassessment purposes shall publish a notice under IC 5-3-1 describing the areas that are scheduled to be visited within the next thirty (30) days and explaining the purposes of the visit. The notice shall be published in a way to promote understanding of the purposes of the visit in the affected areas. After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (e), the department of local government finance shall give notice to the taxpayer and the county assessor, by mail, of the amount of the reassessment. The notice of reassessment:

(1) is subject to appeal by the taxpayer under section 34 of this chapter; and

(2) must include a statement of the taxpayer's rights under sections 33 and 34 of this chapter.

(e) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department of local government finance under this section:

(1) The commissioner of the Indiana department of administration.

(2) The director of the budget agency.

(3) The attorney general.

(4) The governor.

(f) With respect to a general reassessment of real property to be completed under section 4 of this chapter for an assessment date after the March 1, 2002, assessment date, the department of local government finance shall initiate a review with respect to the real property in a qualifying county or a township in a qualifying county, or a portion of the real property in a qualifying county or a township in a qualifying county. The department of local government finance may contract to have the review performed by an appraisal firm. The department of local government finance or its contractor shall determine for the real property under consideration and for the qualifying county or township the variance between:

(1) the total assessed valuation of the real property within the qualifying county or township; and

(2) the total assessed valuation that would result if the real property within the qualifying county or township were valued in

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the manner provided by law.

(g) If:

(1) the variance determined under subsection (j) exceeds ten percent (10%); and

(2) the department of local government finance determines after holding hearings on the matter that a special reassessment should be conducted;

the department shall contract for a special reassessment by an appraisal firm to correct the valuation of the property.

(h) If the variance determined under subsection (f) is ten percent (10%) or less, the department of local government finance shall determine whether to correct the valuation of the property under:

(1) sections 9 and 10 of this chapter; or

(2) IC 6-1.1-14-10 and IC 6-1.1-14-11.

(i) The department of local government finance shall give notice by mail to a taxpayer of a hearing concerning the department's intent to cause the taxpayer's property to be reassessed under this section. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed. The department of local government finance may conduct a single hearing under this section with respect to multiple properties. The notice must state:

(1) the time of the hearing;

(2) the location of the hearing; and

(3) that the purpose of the hearing is to hear taxpayers' comments and objections with respect to the department of local government finance's intent to reassess property under this chapter.

(j) If the department of local government finance determines after the hearing that property should be reassessed under this section, the department shall:

(1) cause the property to be reassessed under this section;

(2) mail a certified notice of its final determination to the county auditor of the qualifying county in which the property is located; and

(3) notify the taxpayer by mail of its final determination.

(k) A reassessment may be made under this section only if the notice of the final determination under subsection (i) is given to the taxpayer within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

(l) If the department of local government finance contracts for a special reassessment of property under this section, the qualifying county shall pay the bill, without appropriation, from the county property reassessment fund. A contractor may periodically submit bills

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for partial payment of work performed under a contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

(1) submits, in the form required by IC 5-11-10-1, a fully itemized, certified bill for the costs under the contract of the work performed to the department of local government finance for review;

(2) obtains from the department of local government finance:

(A) approval of the form and amount of the bill; and

(B) a certification that the billed goods and services billed for payment have been received and comply with the contract; and

(3) files with the county auditor of the qualifying county:

(A) a duplicate copy of the bill submitted to the department of local government finance;

(B) the proof of approval provided by the department of local government finance of the form and amount of the bill that was approved; and

(C) the certification provided by the department of local government finance that indicates that the goods and services billed for payment have been received and comply with the contract.

An approval and a certification under subdivision (2) shall be treated as conclusively resolving the merits of the claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit ~~publish the claim as required by IC 36-2-6-3; and submit the claim to the county executive of the qualifying county. The county executive shall allow the claim, in full, as approved by the department of local government finance without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after completion of the publication requirements under IC 36-2-6-3.~~ **the date the claim is certified by the county fiscal officer if the procedures in IC 5-11-10-2 are used to approve the claim or the date the claim is placed on the claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are used to approve the claim.** Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department of local government finance. Compliance with this subsection shall be treated as compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and

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1 payment of a claim in compliance with this subsection is not subject to
 2 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply
 3 to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal
 4 officer who pays a claim in compliance with this subsection.

5 (m) A qualifying official (as defined in IC 33-26-8-3) shall provide
 6 information requested in writing by the department of local government
 7 finance or the department's contractor under this section not later than
 8 seven (7) days after receipt of the written request from the department
 9 or the contractor. If a qualifying official (as defined in IC 33-26-8-3)
 10 fails to provide the requested information within the time permitted in
 11 this subsection, the department of local government finance or the
 12 department's contractor may seek an order of the tax court under
 13 IC 33-26-8 for production of the information.

14 (n) The provisions of this section are severable in the manner
 15 provided in IC 1-1-1-8(b).

16 (o) This section expires December 31, 2006.

17 SECTION 48. IC 6-1.1-4-35, AS AMENDED BY P.L.88-2005,
 18 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 35. (a) This section applies to a county other
 20 than a county subject to section 32 of this chapter.

21 (b) This section applies to a general reassessment of real property
 22 conducted under section 4(a) of this chapter that is scheduled to
 23 become effective for property taxes first due and payable in 2003.

24 (c) As used in this section, "department" refers to the department of
 25 local government finance.

26 (d) As used in this section, "reassessment official" means

27 ~~(1) a county assessor or.~~

28 ~~(2) a township assessor.~~

29 (e) If:

30 (1) the department determines that a county's reassessment
 31 officials are unable to complete the reassessment in a timely
 32 manner; or

33 (2) the department determines that a county's reassessment
 34 officials are likely to complete the reassessment in an inaccurate
 35 manner;

36 the department may order a state conducted reassessment in the county.
 37 The department may consider a reassessment in a county untimely if
 38 the county does not submit the county's equalization study to the
 39 department in the manner prescribed under 50 IAC 14 before October
 40 20, 2003. The department may consider the reassessment work of a
 41 county's reassessment officials inaccurate if the department determines
 42 from a sample of the assessments completed in the county that there is

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1 a variance exceeding ten percent (10%) between the total assessed
 2 valuation of the real property within the sample and the total assessed
 3 valuation that would result if the real property within the sample were
 4 valued in the manner provided by law.

5 (f) If the department orders a state conducted reassessment in a
 6 county, the department shall assume the duties of the county's
 7 reassessment officials. Notwithstanding sections 15 and 17 of this
 8 chapter, a reassessment official in a county subject to an order issued
 9 under this section may not assess property or have property assessed
 10 for the general reassessment. Until the state conducted reassessment is
 11 completed under this section, the reassessment duties of a reassessment
 12 official in the county are limited to providing the department or a
 13 contractor of the department the support and information requested by
 14 the department or the contractor.

15 (g) Before assuming the duties of a county's reassessment officials,
 16 the department shall transmit a copy of the department's order requiring
 17 a state conducted reassessment to the county's reassessment officials,
 18 the county fiscal body, the county auditor, and the county treasurer.
 19 Notice of the department's actions must be published one (1) time in a
 20 newspaper of general circulation published in the county. If no
 21 newspaper is published in the county, the notice shall be published in
 22 a newspaper:

- 23 (1) of general circulation in the county; and
- 24 (2) that is published in an adjacent county.

25 The department is not required to conduct a public hearing before
 26 taking action under this section.

27 (h) Township and county officials in a county subject to an order
 28 issued under this section shall, at the request of the department or the
 29 department's contractor, make available and provide access to all:

- 30 (1) data;
- 31 (2) records;
- 32 (3) maps;
- 33 (4) parcel record cards;
- 34 (5) forms;
- 35 (6) computer software systems;
- 36 (7) computer hardware systems; and
- 37 (8) other information;

38 related to the reassessment of real property in the county. The
 39 information described in this subsection must be provided at no cost to
 40 the department or the contractor of the department. A failure to provide
 41 information requested under this subsection constitutes a failure to
 42 perform a duty related to a general reassessment and is subject to

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1 IC 6-1.1-37-2.

2 (i) The department may enter into a contract with a professional
3 appraising firm to conduct a reassessment under this section. If a
4 county or a township located in the county entered into a contract with
5 a professional appraising firm to conduct the county's reassessment
6 before the department orders a state conducted reassessment in the
7 county under this section, the contract:

- 8 (1) is as valid as if it had been entered into by the department; and
9 (2) shall be treated as the contract of the department.

10 (j) After receiving the report of assessed values from the appraisal
11 firm acting under a contract described in subsection (i), the department
12 shall give notice to the taxpayer and the county assessor, by mail, of the
13 amount of the reassessment. The notice of reassessment:

- 14 (1) is subject to appeal by the taxpayer under section 37 of this
15 chapter; and
16 (2) must include a statement of the taxpayer's rights under section
17 37 of this chapter.

18 (k) The department shall forward a bill for services provided under
19 a contract described in subsection (i) to the auditor of the county in
20 which the state conducted reassessment occurs. The county shall pay
21 the bill under the procedures prescribed by subsection (l).

22 (l) A county subject to an order issued under this section shall pay
23 the cost of a contract described in subsection (i), without appropriation,
24 from the county's property reassessment fund. A contractor may
25 periodically submit bills for partial payment of work performed under
26 the contract. Notwithstanding any other law, a contractor is entitled to
27 payment under this subsection for work performed under a contract if
28 the contractor:

- 29 (1) submits to the department a fully itemized, certified bill in the
30 form required by IC 5-11-10-1 for the costs of the work performed
31 under the contract;
32 (2) obtains from the department:
33 (A) approval of the form and amount of the bill; and
34 (B) a certification that the billed goods and services have been
35 received and comply with the contract; and
36 (3) files with the county auditor:
37 (A) a duplicate copy of the bill submitted to the department;
38 (B) proof of the department's approval of the form and amount
39 of the bill; and
40 (C) the department's certification that the billed goods and
41 services have been received and comply with the contract.

42 The department's approval and certification of a bill under subdivision

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(2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit, ~~publish the claim as required by IC 36-2-6-3;~~ and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the ~~completion of the publication requirements under IC 36-2-6-3;~~ **date the claim is certified by the county fiscal officer if the procedures in IC 5-11-10-2 are used to approve the claim or the date the claim is placed on the claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are used to approve the claim.** Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with section 28.5 of this chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(m) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.

(n) If the money in a county's property reassessment fund is insufficient to pay for a reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the reassessment.

(o) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do

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not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's reassessment officials of the land values determined under this subsection.

(p) A contractor of the department may notify the department if:

(1) a county auditor fails to:

(A) certify the contractor's bill;

(B) publish the contractor's claim;

(C) submit the contractor's claim to the county executive; or

(D) issue a warrant or check for payment of the contractor's bill;

as required by subsection (l) at the county auditor's first legal opportunity to do so;

(2) a county executive fails to allow the contractor's claim as legally required by subsection (l) at the county executive's first legal opportunity to do so; or

(3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

(q) The department, upon receiving notice under subsection (p) from a contractor of the department, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (p)(1) or (p)(2); or

(B) a person or an entity acted or failed to act as described in subsection (p)(3); and

(2) provide to the treasurer of state the department's approval under subsection (l)(2)(A) of the contractor's bill with respect to which the contractor gave notice under subsection (p).

(r) Upon receipt of the department's approval of a contractor's bill under subsection (q), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for distribution to the county, including distributions from the property tax replacement fund or distribution of admissions taxes or wagering taxes.

(s) The treasurer of state shall withhold from the money that would

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be distributed under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b) or any other law to a county described in a notice provided under subsection (p) the amount of a payment made by the treasurer of state to the contractor of the department under subsection (r). Money shall be withheld first from the money payable to the county under IC 6-1.1-21-4(b) and then from all other sources payable to the county.

(t) Compliance with subsections (p) through (s) constitutes compliance with IC 5-11-10.

(u) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (p) through (s). This subsection and subsections (p) through (s) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

(v) The provisions of this section are severable as provided in IC 1-1-1-8(b).

(w) This section expires January 1, 2007.

SECTION 49. IC 6-1.1-4-39, AS AMENDED BY P.L.199-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 39. (a) For assessment dates after February 28, 2005, except as provided in subsections (c) and (e), the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by applying each of the following appraisal approaches:

(1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvements as of the date of valuation together with estimates of the losses in value that have taken place due to wear and tear, design and plan, or neighborhood influences.

(2) Sales comparison approach, using data for generally comparable property.

(3) Income capitalization approach, using an applicable capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use.

(b) The gross rent multiplier method is the preferred method of valuing:

(1) real property that has at least one (1) and not more than four (4) rental units; and

(2) mobile homes assessed under IC 6-1.1-7.

(c) A ~~township~~ county assessor is not required to appraise real

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property referred to in subsection (a) using the three (3) appraisal approaches listed in subsection (a) if the ~~township~~ **county** assessor and the taxpayer agree before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for **county** assessors to use in gathering and processing information for the application of the income capitalization method and the gross rent multiplier method. A taxpayer must verify under penalties for perjury any information provided to the **county** assessor for use in the application of either method.

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

SECTION 50. IC 6-1.1-4-42 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 42. (a) As used in this section, "department" refers to the department of local government finance.**

(b) A county fiscal body may contract with the department to have the department:

- (1) carry out a state conducted assessment or reassessment under section 43 of this chapter; or**
- (2) conduct work or contract to have work conducted that would otherwise be performed by local officials under 50 IAC 21;**

in the county served by the county fiscal body.

(c) The contract must provide for the following:

- (1) Its duration.**
- (2) Its purpose.**
- (3) Required compliance with this article and the rules of the department.**
- (4) The methods that may be employed in accomplishing the partial or complete termination of the agreement and disposing of property upon partial or complete termination.**
- (5) Any other appropriate matters.**

(d) A contract under this section must be:

- (1) adopted by ordinance of the county fiscal body;**
- (2) approved by the department; and**
- (3) approved by the attorney general.**

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(e) The attorney general shall approve a contract under this section unless the attorney general finds that the contract does not comply with the statutes. If the attorney general finds that the contract does not comply with the statutes, the attorney general shall detail in writing for the county fiscal body and the department the specific respects in which the agreement does not comply. If the attorney general fails to disapprove the contract within sixty (60) days after the contract is submitted to the attorney general, the contract is considered approved.

(f) A contract that is adopted and approved as required by this section becomes effective when the county fiscal body records the contract with the county recorder. The county fiscal body shall:

(1) file a copy of the contract with the state board of accounts for audit purposes; and

(2) notify the county assessor, the county treasurer, and the department of the date that the contract was filed with the county recorder.

(g) The department shall begin work under the contract not later than sixty (60) days after the date on which the contract becomes effective.

(h) Any amendment or termination of a contract entered into under this section must be recorded with the county recorder.

(i) If the department of local government finance contracts to have work described under subsection (b)(2) conducted by a contractor, the department shall forward the bill for the services to the county, and the county shall pay the bill under the same procedures that apply to county payments of bills for assessment or reassessment services under section 43 of this chapter.

SECTION 51. IC 6-1.1-4-43 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 43. (a) As used in this section, "department" refers to the department of local government finance.

(b) If a county fiscal body and the department enter into a contract under section 42 of this chapter to carry out a state conducted assessment or reassessment, the department must begin work under the contract within the time required under section 42 of this chapter.

(c) The department shall assume the duties of the county assessor. Notwithstanding sections 15 and 17 of this chapter, the county assessor of the county may not assess property or have property assessed for the assessment or general reassessment. Until the state conducted assessment or reassessment is completed under

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1 this section, the assessment or reassessment duties of the county
 2 assessor are limited to providing the department or a contractor of
 3 the department the support and information requested by the
 4 department or the contractor.

5 (d) Before commencing work under this section in a county, the
 6 department shall publish a notice of the contract one (1) time in a
 7 newspaper of general circulation in the county. The department is
 8 not required to conduct a public hearing before taking action
 9 under this section.

10 (e) The county assessor in the county shall, at the request of the
 11 department or the department's contractor, make available and
 12 provide access to all:

- 13 (1) data;
- 14 (2) records;
- 15 (3) maps;
- 16 (4) parcel record cards;
- 17 (5) forms;
- 18 (6) computer software systems;
- 19 (7) computer hardware systems; and
- 20 (8) other information;

21 related to the assessment or reassessment of real property in the
 22 county. The information described in this subsection must be
 23 provided at no cost to the department or the contractor of the
 24 department. A failure to provide information requested under this
 25 subsection constitutes a failure to perform a duty related to an
 26 assessment or a general reassessment and is subject to
 27 IC 6-1.1-37-2.

28 (f) The department may enter into a contract with a professional
 29 appraising firm to conduct an assessment or reassessment under
 30 this section. If a county enters into a contract with a professional
 31 appraising firm to conduct the county's assessment or reassessment
 32 before the department orders a state conducted assessment or
 33 reassessment in the county under this section, the contract:

- 34 (1) is as valid as if it had been entered into by the department;
- 35 and
- 36 (2) shall be treated as the contract of the department.

37 (g) After receiving the report of assessed values from the
 38 appraisal firm acting under a contract described in subsection (f),
 39 the department shall give notice to the taxpayer and the county
 40 assessor, by mail, of the amount of the assessment or reassessment.
 41 The notice of assessment or reassessment:

- 42 (1) is subject to appeal by the taxpayer under section 45 of

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1 this chapter; and

2 (2) must include a statement of the taxpayer's rights under
3 section 45 of this chapter.

4 (h) The department shall forward a bill for services provided
5 under a contract described in subsection (f) to the auditor of the
6 county in which the state conducted reassessment occurs. The
7 county shall pay the bill under the procedures prescribed by
8 subsection (i).

9 (i) A county subject to an order issued under this section shall
10 pay the cost of a contract described in subsection (f), without
11 appropriation, from the county property reassessment fund. A
12 contractor may periodically submit bills for partial payment of
13 work performed under the contract. Notwithstanding any other
14 law, a contractor is entitled to payment under this subsection for
15 work performed under a contract if the contractor:

16 (1) submits to the department a fully itemized, certified bill in
17 the form required by IC 5-11-10-1 for the costs of the work
18 performed under the contract;

19 (2) obtains from the department:

20 (A) approval of the form and amount of the bill; and

21 (B) a certification that the billed goods and services have
22 been received and comply with the contract; and

23 (3) files with the county auditor:

24 (A) a duplicate copy of the bill submitted to the
25 department;

26 (B) proof of the department's approval of the form and
27 amount of the bill; and

28 (C) the department's certification that the billed goods and
29 services have been received and comply with the contract.

30 The department's approval and certification of a bill under
31 subdivision (2) shall be treated as conclusively resolving the merits
32 of a contractor's claim. Upon receipt of the documentation
33 described in subdivision (3), the county auditor shall immediately
34 certify that the bill is true and correct without further audit,
35 publish the claim as required by IC 36-2-6-3, and submit the claim
36 to the county executive. The county executive shall allow the claim,
37 in full, as approved by the department, without further
38 examination of the merits of the claim in a regular or special
39 session that is held not less than three (3) days and not more than
40 seven (7) days after the completion of the publication requirements
41 under IC 36-2-6-3. Upon allowance of the claim by the county
42 executive, the county auditor shall immediately issue a warrant or

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check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(j) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.

(k) If money in the county's property reassessment fund is insufficient to pay for an assessment or reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the assessment or reassessment.

(l) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's assessing officials of the land values determined under this subsection.

(m) A contractor of the department may notify the department if:

- (1) a county auditor fails to:
 - (A) certify the contractor's bill;
 - (B) publish the contractor's claim;

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- 1 (C) submit the contractor's claim to the county executive;
 2 or
 3 (D) issue a warrant or check for payment of the
 4 contractor's bill;
 5 as required by subsection (i) at the county auditor's first legal
 6 opportunity to do so;
 7 (2) a county executive fails to allow the contractor's claim as
 8 legally required by subsection (i) at the county executive's
 9 first legal opportunity to do so; or
 10 (3) a person or an entity authorized to act on behalf of the
 11 county takes or fails to take an action, including failure to
 12 request an appropriation, and that action or failure to act
 13 delays or halts progress under this section for payment of the
 14 contractor's bill.
- 15 (n) The department, upon receiving notice under subsection (m)
 16 from a contractor of the department, shall:
- 17 (1) verify the accuracy of the contractor's assertion in the
 18 notice that:
- 19 (A) a failure occurred as described in subsection (m)(1) or
 20 (m)(2); or
 21 (B) a person or an entity acted or failed to act as described
 22 in subsection (m)(3); and
- 23 (2) provide to the treasurer of state the department's approval
 24 under subsection (i)(2)(A) of the contractor's bill with respect
 25 to which the contractor gave notice under subsection (m).
- 26 (o) Upon receipt of the department's approval of a contractor's
 27 bill under subsection (n), the treasurer of state shall pay the
 28 contractor the amount of the bill approved by the department from
 29 money in the possession of the state that would otherwise be
 30 available for distribution to the county, including distributions
 31 from the property tax replacement fund or distribution of
 32 admissions taxes or wagering taxes.
- 33 (p) The treasurer of state shall withhold from the money that
 34 would be distributed under IC 4-33-12-6, IC 4-33-13-5,
 35 IC 6-1.1-21-4(b), or any other law to a county described in a notice
 36 provided under subsection (m) the amount of a payment made by
 37 the treasurer of state to the contractor of the department under
 38 subsection (o). Money shall be withheld first from the money
 39 payable to the county under IC 6-1.1-21-4(b) and then from all
 40 other sources payable to the county.
- 41 (q) Compliance with subsections (m) through (p) constitutes
 42 compliance with IC 5-11-10.

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(r) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (m) through (p). This subsection and subsections (m) through (p) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

(s) The provisions of this section are severable as provided in IC 1-1-1-8(b).

SECTION 52. IC 6-1.1-4-44 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 44. (a) Subject to the other requirements of this section, the department of local government finance may:

(1) negotiate an addendum to a contract referred to in section 43(f) of this chapter that is treated as a contract of the department; or

(2) include provisions in a contract entered into by the department under section 43(f) of this chapter;

to require the contractor of the department to represent the department in appeals initiated under section 45 of this chapter and to afford to taxpayers an opportunity to attend an informal hearing.

(b) The purpose of the informal hearing referred to in subsection (a) is to:

(1) discuss the specifics of the taxpayer's assessment or reassessment;

(2) review the taxpayer's property record card;

(3) explain to the taxpayer how the assessment or reassessment was determined;

(4) provide to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or reassessment;

(5) note and consider objections of the taxpayer;

(6) consider all errors alleged by the taxpayer; and

(7) otherwise educate the taxpayer about:

(A) the taxpayer's assessment or reassessment;

(B) the assessment or reassessment process; and

(C) the assessment or reassessment appeal process under section 45 of this chapter.

(c) Following an informal hearing referred to in subsection (b), the contractor shall:

(1) make a recommendation to the department of local

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government finance as to whether a change in the reassessment is warranted; and

(2) if recommending a change under subdivision (1), provide to the department a statement of:

(A) how the changed assessment or reassessment was determined; and

(B) the amount of the changed assessment or reassessment.

(d) To preserve the right to appeal under section 45 of this chapter, a taxpayer must initiate the informal hearing process by notifying the department of local government finance or its designee of the taxpayer's intent to participate in an informal hearing referred to in subsection (b) not later than forty-five (45) days after the department of local government finance gives notice under section 43(g) of this chapter to taxpayers of the amount of the reassessment.

(e) The informal hearings referred to in subsection (b) must be conducted:

(1) in the county where the property is located; and

(2) in a manner determined by the department of local government finance.

(f) The department of local government finance shall:

(1) consider the recommendation of the contractor under subsection (c); and

(2) if the department accepts a recommendation that a change in the assessment or reassessment is warranted, accept or modify the recommended amount of the changed assessment or reassessment.

(g) The department of local government finance shall send a notice of the result of each informal hearing to:

(1) the taxpayer;

(2) the county auditor; and

(3) the county assessor.

(h) A notice under subsection (g) must:

(1) state whether the assessment or reassessment was changed as a result of the informal hearing; and

(2) if the assessment or reassessment was changed as a result of the informal hearing:

(A) indicate the amount of the changed assessment or reassessment; and

(B) provide information on the taxpayer's right to appeal under section 45 of this chapter.

(i) If the department of local government finance does not send

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a notice under subsection (g) not later than two hundred seventy (270) days after the date the department gives notice of the amount of the assessment or reassessment under section 43(g) of this chapter:

(1) the department may not change the amount of the assessment or reassessment under the informal hearing process described in this section; and

(2) the taxpayer may appeal the assessment or reassessment under section 45 of this chapter.

(j) The department of local government finance may adopt rules under IC 4-22-2 to establish procedures for informal hearings under this section.

(k) Payment for an addendum to a contract under subsection (a)(1) is made in the same manner as payment for the contract under section 43(g) of this chapter.

SECTION 53. IC 6-1.1-4-45 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 45. (a) As used in this section, "special master" refers to a person designated by the Indiana board under subsection (e).

(b) The notice of assessment or reassessment under section 43(g) of this chapter is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance do not apply to an appeal under this subsection. The Indiana board may establish applicable procedures and time limitations under subsection (l).

(c) In order to appeal under subsection (b), the taxpayer must:

(1) participate in the informal hearing process under section 44 of this chapter;

(2) except as provided in section 44(i) of this chapter, receive a notice under section 44(g) of this chapter; and

(3) file a petition for review with the appropriate county assessor not later than thirty (30) days after:

(A) the date of the notice to the taxpayer under section 44(g) of this chapter; or

(B) the date after which the department may not change the amount of the assessment or reassessment under the informal hearing process described in section 44 of this chapter.

(d) The Indiana board may develop a form for petitions under subsection (c) that outlines:

(1) the appeal process;

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1 (2) the burden of proof; and

2 (3) evidence necessary to warrant a change to an assessment
3 or reassessment.

4 (e) The Indiana board may contract with, appoint, or otherwise
5 designate the following to serve as special masters to conduct
6 evidentiary hearings and prepare reports required under
7 subsection (g):

8 (1) Independent, licensed appraisers.

9 (2) Attorneys.

10 (3) Certified level two Indiana assessor-appraisers (including
11 administrative law judges employed by the Indiana board).

12 (4) Other qualified individuals.

13 (f) Each contract entered into under subsection (e) must specify
14 the appointee's compensation and entitlement to reimbursement
15 for expenses. The compensation and reimbursement for expenses
16 are paid from the county property reassessment fund.

17 (g) With respect to each petition for review filed under
18 subsection (c), the special masters shall:

19 (1) set a hearing date;

20 (2) give notice of the hearing at least thirty (30) days before
21 the hearing date, by mail, to:

22 (A) the taxpayer;

23 (B) the department of local government finance; and

24 (C) the county assessor;

25 (3) conduct a hearing and hear all evidence submitted under
26 this section; and

27 (4) make evidentiary findings and file a report with the
28 Indiana board.

29 (h) At the hearing under subsection (g):

30 (1) the taxpayer shall present:

31 (A) the taxpayer's evidence that the assessment or
32 reassessment is incorrect;

33 (B) the method by which the taxpayer contends the
34 assessment or reassessment should be correctly
35 determined; and

36 (C) comparable sales, appraisals, or other pertinent
37 information concerning valuation as required by the
38 Indiana board; and

39 (2) the department of local government finance shall present
40 its evidence that the assessment or reassessment is correct.

41 (i) The Indiana board may dismiss a petition for review filed
42 under subsection (c) if the evidence and other information required

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under subsection (h)(1) is not provided at the hearing under subsection (g).

(j) The county assessor may attend and participate in the hearing under subsection (g).

(k) The Indiana board may:

(1) consider the report of the special masters under subsection (g)(4);

(2) make a final determination based on the findings of the special masters without:

(A) conducting a hearing; or

(B) any further proceedings; and

(3) incorporate the findings of the special masters into the board's findings in resolution of the appeal.

(l) The Indiana board may adopt rules under IC 4-22-2-37.1 to:

(1) establish procedures to expedite:

(A) the conduct of hearings under subsection (g); and

(B) the issuance of determinations of appeals under subsection (k); and

(2) establish deadlines:

(A) for conducting hearings under subsection (g); and

(B) for issuing determinations of appeals under subsection (k).

(m) A determination by the Indiana board of an appeal under subsection (k) is subject to appeal to the tax court under IC 6-1.1-15.

SECTION 54. IC 6-1.1-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. Except as provided in section 9 of this chapter, the county auditor of each county shall annually prepare and deliver to the ~~township~~ **county** assessor a list of all real property entered in the ~~township~~ **county** as of the assessment date. The county auditor shall deliver the list within thirty (30) days after the assessment date. The county auditor shall prepare the list in the form prescribed or approved by the department of local government finance.

SECTION 55. IC 6-1.1-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. Except as provided in section 4(b) of this chapter, ~~for all civil townships in which in a~~ **county containing** a consolidated city, ~~is situated, the township~~ **county** assessor has the duties and authority described in sections 1 through 8 of this chapter. These duties and authority include effecting the transfer of title to real property and preparing, maintaining, approving, correcting, indexing, and publishing the list or record of, or description

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of title to, real property. If a court renders a judgment for the partition or transfer of real property located in ~~one (1) of these townships, a~~ **county containing a consolidated city**, the clerk of the court shall deliver the transcript to the ~~township~~ **county** assessor.

SECTION 56. IC 6-1.1-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. If a ~~township~~ **county** assessor believes that it is necessary to obtain an accurate description of a specific lot or tract, ~~which is situated in the township~~ **he serves**, the assessor may demand in writing that the owner or occupant of the lot or tract deliver all the title papers in ~~his the owner's~~ **or occupant's** possession to the assessor for ~~his the assessor's~~ examination. If the person fails to deliver the title papers to the assessor at ~~his the assessor's~~ office within five (5) days after the demand is mailed, the assessor shall prepare the real property list according to the best information ~~he the assessor~~ can obtain. For that purpose, the assessor may examine, under oath, any person whom ~~he the assessor~~ believes has any knowledge relevant to the issue.

SECTION 57. IC 6-1.1-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) In order to determine the quantity of land contained within a tract, an assessor shall follow the rules contained in this section.

(b) Except as provided in subsection (c), ~~of this section~~, the assessor shall recognize the quantity of land stated in a deed or patent if the owner or person in whose name the property is listed holds the land by virtue of:

- (1) a deed from another party or from this state; or
- (2) a patent from the United States.

(c) If land described in subsection (b) ~~of this section~~ has been surveyed subsequent to the survey made by the United States and if the ~~township county~~ assessor is satisfied that the tract contains a different quantity of land than is stated in the patent or deed, the assessor shall recognize the quantity of land stated in the subsequent survey.

(d) Except as provided in ~~subsection (c); of this section~~, **subsection (f)**, a ~~township county~~ assessor shall demand in writing that the owner of a tract, or person in whose name the land is listed, have the tract surveyed and that ~~he the owner~~ return a sworn certificate from the surveyor stating the quantity of land contained in the tract if:

- (1) the land was within the French or Clark's grant; and
- (2) the party holds the land under original entry or survey.

(e) If the party fails to return the certificate **under subsection (d)** within thirty (30) days after the demand is mailed, the assessor shall have a surveyor survey the land. The expenses of a survey made under

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1 this subsection shall be paid for from the county treasury. However, the
 2 county auditor shall charge the survey expenses against the land, and
 3 the expenses shall be collected with the taxes payable in the succeeding
 4 year.

5 ~~(e)~~ (f) A township county assessor shall not demand a survey of
 6 land described in subsection (d) of this section if:

7 (1) the owner or holder of the land has previously had it surveyed
 8 and presents to the assessor a survey certificate which states the
 9 quantity of land; or

10 (2) the assessor is satisfied from other competent evidence, given
 11 under oath or affirmation, that the quantity of land stated in the
 12 original survey is correct.

13 SECTION 58. IC 6-1.1-5-14, AS AMENDED BY P.L.88-2005,
 14 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2007]: Sec. 14. ~~Not later than May 15, each assessing official~~
 16 ~~shall prepare and deliver to the county assessor a detailed list of the~~
 17 ~~real property listed for taxation in the township.~~ On or before July 1 of
 18 each year, each county assessor shall, under oath, prepare and deliver
 19 to the county auditor a detailed list of the real property listed for
 20 taxation in the county. ~~In a county with an elected township assessor in~~
 21 ~~every township the township assessor shall prepare the real property~~
 22 ~~list. The assessing officials and the county assessor shall prepare the~~
 23 ~~list in the form prescribed by the department of local government~~
 24 ~~finance. The township assessor shall ensure that the county assessor~~
 25 ~~has full access to the assessment records maintained by the township~~
 26 ~~assessor.~~

27 SECTION 59. IC 6-1.1-5-15, AS AMENDED BY P.L.228-2005,
 28 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2007]: Sec. 15. (a) Except as provided in subsection (b),
 30 before an owner of real property demolishes, structurally modifies, or
 31 improves it at a cost of more than five hundred dollars (\$500) for
 32 materials or labor, or both, the owner or the owner's agent shall file
 33 with the area plan commission or the county assessor in the county
 34 where the property is located an assessment registration notice on a
 35 form prescribed by the department of local government finance.

36 (b) If the owner of the real property, or the person performing the
 37 work for the owner, is required to obtain a permit from an agency or
 38 official of the state or a political subdivision for the demolition,
 39 structural modification, or improvement, the owner or the person
 40 performing the work for the owner is not required to file an assessment
 41 registration notice.

42 (c) Each state or local government official or agency shall, before

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the tenth day of each month, deliver a copy of each permit described in subsection (b) to the assessor of the county in which the real property to be improved is situated. Each area plan commission shall, before the tenth day of each month, deliver a copy of each assessment registration notice described in subsection (a) to the assessor of the county where the property is located.

~~(d) Before the last day of each month, the county assessor shall distribute a copy of each assessment registration notice filed under subsection (a) or permit received under subsection (b) to the assessor of the township in which the real property to be demolished, modified, or improved is situated.~~

~~(e)~~ (d) A fee of five dollars (\$5) shall be charged by the area plan commission or the county assessor for the filing of the assessment registration notice. All fees collected under this subsection shall be deposited in the county property reassessment fund.

~~(f)~~ (e) A township or county assessor shall immediately notify the county treasurer if the assessor discovers property that has been improved or structurally modified at a cost of more than five hundred dollars (\$500) and the owner of the property has failed to obtain the required building permit or to file an assessment registration notice.

~~(g)~~ (f) Any person who fails to:

- (1) file the registration notice required by subsection (a); or
- (2) obtain a building permit described in subsection (b);

before demolishing, structurally modifying, or improving real property is subject to a civil penalty of one hundred dollars (\$100). The county treasurer shall include the penalty on the person's property tax statement and collect it in the same manner as delinquent personal property taxes under IC 6-1.1-23. However, if a person files a late registration notice, the person shall pay the fee, if any, and the penalty to the area plan commission or the county assessor at the time the person files the late registration notice.

SECTION 60. IC 6-1.1-5.5-3, AS AMENDED BY P.L.228-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) For purposes of this section, "party" includes:

- (1) a seller of property that is exempt under the seller's ownership; or
- (2) a purchaser of property that is exempt under the purchaser's ownership;

from property taxes under IC 6-1.1-10.

(b) Before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must complete and

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sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form.

(c) ~~Except as provided in subsection (d);~~ The auditor shall forward each sales disclosure form to the county assessor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency:

(1) before January 1, 2005, in an electronic format, if possible; and

(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

~~The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county.~~ The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(d) ~~In a county containing a consolidated city, the auditor shall forward the sales disclosure form to the appropriate township assessor. The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency:~~

(1) before January 1, 2005, in an electronic format, if possible; and

(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

~~The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.~~

~~(e)~~ (d) If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

SECTION 61. IC 6-1.1-5.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) A party to a

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conveyance who:

(1) is required to file a sales disclosure form under this chapter;
and

(2) fails to file a sales disclosure form at the time and in the manner required by this chapter;

is subject to a penalty in the amount determined under subsection (b).

(b) The amount of the penalty under subsection (a) is the greater of:

(1) one hundred dollars (\$100); or

(2) twenty-five thousandths percent (0.025%) of the sale price of the real property transferred under the conveyance document.

(c) ~~The township assessor in a county containing a consolidated city, or the county assessor in any other county,~~ shall:

(1) determine the penalty imposed under this section;

(2) assess the penalty to the party to a conveyance; and

(3) notify the party to the conveyance that the penalty is payable not later than thirty (30) days after notice of the assessment.

(d) The county auditor shall:

(1) collect the penalty imposed under this section;

(2) deposit penalty collections as required under section 4 of this chapter; and

(3) notify the county prosecuting attorney of delinquent payments.

(e) The county prosecuting attorney shall initiate an action to recover a delinquent penalty under this section. In a successful action against a person for a delinquent penalty, the court shall award the county prosecuting attorney reasonable attorney's fees.

SECTION 62. IC 6-1.1-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. A person who permits a mobile home to be placed on any land which ~~he~~ **the person** owns, possesses, or controls shall report that fact to the **county** assessor ~~of the township in which the land is located~~ within ten (10) days after the mobile home is placed on the land. The ten (10) day period commences the day after the day that the mobile home is placed upon the land.

SECTION 63. IC 6-1.1-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. A mobile home which is subject to taxation under this chapter shall be assessed by the **county** assessor of the ~~township~~ **county** within which the place of assessment is located. ~~Each township~~ **The county** assessor ~~of a county~~ shall certify the assessments of mobile homes to the county auditor in the same manner provided for the certification of personal property assessments. The ~~township~~ **county** assessor shall make this certification on the forms prescribed by the department of local

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government finance.

SECTION 64. IC 6-1.1-8-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 23. Each year a public utility company shall file a statement with the ~~assessor of each township and~~ county assessor of each county in which the company's property is located. The company shall file the statement on the form prescribed by the department of local government finance. The statement shall contain a description of the company's tangible personal property located in the ~~township~~ **county**.

SECTION 65. IC 6-1.1-8-24, AS AMENDED BY P.L.88-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 24. ~~(a)~~ Each year ~~a township the~~ **county** assessor shall:

(1) assess the fixed property which as of the assessment date of that year is:

(~~1~~) **(A)** owned or used by a public utility company; and

(~~2~~) **(B)** located in the ~~township the township assessor serves~~ **county; and**

(~~b~~) The township assessor shall determine the assessed value of fixed property. The township assessor shall certify the assessed values to the county assessor on or before April 1 of the year of assessment. However, in a county with an elected township assessor in every township the township assessor shall certify the list to the department of local government finance. The county assessor shall review the assessed values and shall

(2) certify the assessed values to the department of local government finance on or before April 10 of ~~the~~ **that** year. of assessment.

SECTION 66. IC 6-1.1-8-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 33. A public utility company may appeal a ~~township county~~ assessor's assessment of fixed property in the same manner that it may appeal a ~~township county~~ assessor's assessment of tangible property under ~~IC 1971~~ **IC 6-1.1-15**.

SECTION 67. IC 6-1.1-8-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 39. The annual assessments of a public utility company's property are presumed to include all the company's property which is subject to taxation under this chapter. However, this presumption does not preclude the subsequent assessment of a specific item of tangible property which is clearly shown to have been omitted from the assessments for that year. The ~~appropriate township county~~ assessor shall make assessments of omitted fixed property. The department of local government finance

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1 shall make assessments of omitted distributable property. However, the
 2 department of local government finance may not assess omitted
 3 distributable property after the expiration of ten (10) years from the last
 4 day of the year in which the assessment should have been made.

5 SECTION 68. IC 6-1.1-8.5-7 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) The ~~township~~
 7 **county** assessor of ~~each township~~ in a qualifying county shall notify the
 8 department of local government finance of a newly constructed
 9 industrial facility that is located in the ~~township served by the township~~
 10 ~~assessor. county.~~

11 (b) Each building commissioner in a qualifying county shall notify
 12 the department of local government finance of a newly constructed
 13 industrial facility that is located in the jurisdiction served by the
 14 building commissioner.

15 (c) The department of local government finance shall schedule an
 16 assessment under this chapter of a newly constructed industrial facility
 17 within six (6) months after receiving notice of the construction from the
 18 ~~appropriate township county~~ assessor or building commissioner.

19 SECTION 69. IC 6-1.1-9-1 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. If a ~~township~~
 21 ~~assessor,~~ county assessor or county property tax assessment board of
 22 appeals believes that any taxable tangible property has been omitted
 23 from or undervalued on the assessment rolls or the tax duplicate for any
 24 year or years, the official or board shall give written notice under
 25 IC 6-1.1-3-20 or IC 6-1.1-4-22 of the assessment or increase in
 26 assessment. The notice shall contain a general description of the
 27 property and a statement describing the taxpayer's right to a preliminary
 28 conference and to a review with the county property tax assessment
 29 board of appeals under IC 6-1.1-15-1.

30 SECTION 70. IC 6-1.1-9-6 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. ~~The county assessor~~
 32 ~~shall obtain from the county auditor or the township assessors all~~
 33 ~~returns for tangible property made by the township assessors of the~~
 34 ~~county and all assessment lists, schedules, statements, maps, and other~~
 35 ~~books and papers filed with the county auditor by the township~~
 36 ~~assessors.~~ For purposes of discovering undervalued or omitted
 37 property, the county assessor shall carefully examine the county tax
 38 duplicates and all other pertinent records and papers of the county
 39 auditor, treasurer, recorder, clerk, sheriff and surveyor. The county
 40 assessor shall, in the manner prescribed in this article, assess all
 41 omitted or undervalued tangible property which is subject to
 42 assessment.

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SECTION 71. IC 6-1.1-10-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) The owner of an industrial waste control facility who wishes to obtain the exemption provided in section 9 of this chapter shall file an exemption claim with the **county** assessor ~~of the township in which the property is located~~ when ~~he~~ **the owner** files ~~his~~ **the owner's** annual personal property return. The claim shall describe and state the assessed value of the property for which an exemption is claimed.

(b) The owner shall, by registered or certified mail, forward a copy of the exemption claim to the department of environmental management. The department shall acknowledge its receipt of the claim.

(c) The department of environmental management may investigate any claim. The department may also determine if the property for which the exemption is claimed is being utilized as an industrial waste control facility. Within one hundred twenty (120) days after a claim is mailed to the department, the department may certify its written determination to the ~~township~~ **county** assessor with whom the claim was filed.

(d) The determination of the department remains in effect:

(1) as long as the owner owns the property and uses the property as an industrial waste control facility; or

(2) for five (5) years;

whichever is less. In addition, during the five (5) years after the department's determination the owner of the property must notify the ~~township~~ **county** assessor and the department in writing if any of the property on which the department's determination was based is disposed of or removed from service as an industrial waste control facility.

(e) The department may revoke a determination if the department finds that the property is not predominantly used as an industrial waste control facility.

(f) The ~~township~~ **county** assessor, in accord with the determination of the department, shall allow or deny in whole or in part each exemption claim. However, if the owner provides the assessor with proof that a copy of the claim has been mailed to the department, and if the department has not certified a determination to the assessor within one hundred twenty (120) days after the claim has been mailed to the department, the assessor shall allow the total exemption claimed by the owner.

(g) The assessor shall reduce the assessed value of the owner's personal property for the year for which an exemption is claimed by the

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amount of exemption allowed.

SECTION 72. IC 6-1.1-10-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) The owner of personal property which is part of a stationary or unlicensed mobile air pollution control system who wishes to obtain the exemption provided in section 12 of this chapter shall claim the exemption on ~~his the~~ **owner's** annual personal property return which ~~he the owner~~ files with the **county** assessor. ~~of the township in which the property is located.~~ On the return, the owner shall describe and state the assessed value of the property for which the exemption is claimed.

(b) The ~~township~~ **county** assessor shall review the exemption claim and ~~he~~ shall allow or deny it in whole or in part. In making ~~his the~~ **county assessor's** decision, the ~~township~~ **county** assessor shall consider the requirements stated in section 12 of this chapter.

(c) The ~~township~~ **county** assessor shall reduce the assessed value of the owner's personal property for the year for which the exemption is claimed by the amount of exemption allowed.

SECTION 73. IC 6-1.1-10-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. The action taken by a ~~township~~ **county** assessor on an exemption claim filed under section 10 or ~~section~~ 13 of this chapter shall be treated as an assessment of personal property. Thus, the assessor's action is subject to all the provisions of this article pertaining to notice, review, or appeal of personal property assessments.

SECTION 74. IC 6-1.1-10-31.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 31.7. (a) Subject to subsection (c), in order to claim a property tax exemption under section 31.4, 31.5, or 31.6 of this chapter, the owner or possessor of:

- (1) a truck chassis under section 31.4 of this chapter;
- (2) a passenger motor vehicle under section 31.5 of this chapter;
- or
- (3) a school bus body or chassis under section 31.6 of this chapter;

must file a claim for an exemption at the same time that the taxpayer is required to file a personal property tax return.

(b) A claim for exemption under this section must be filed on a form:

- (1) prescribed by the department of local government finance; and
- (2) containing the following information:
 - (A) A description of the property claimed to be exempt in sufficient detail to afford identification of the property.
 - (B) A statement indicating the ownership and the possession

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of the property.

(C) The grounds for claiming the exemption.

(D) The full name and address of the applicant.

(E) Any additional information that the department of local government finance may require that is:

(i) reasonably related to the exemption; and

(ii) necessary to determine the exemption.

(c) Notwithstanding subsection (b), an owner or a possessor may claim an exemption for a chassis or vehicle under this section without filing the form required under subsection (b) if:

(1) before March 1 the owner or possessor of the chassis or vehicle identifies the chassis or vehicle, by chassis or vehicle identification number, as a chassis or vehicle to be used to fulfill an order from an out-of-state dealer; and

(2) the owner or possessor of the chassis or vehicle submits with the owner's or possessor's personal property return a list that:

(A) gives the chassis or vehicle identification number of each chassis or vehicle claimed to be exempt under subdivision (1); and

(B) identifies the order from an out-of-state dealer that corresponds to each chassis or vehicle listed.

(d) If, upon the request of ~~the local~~ **an** assessing official ~~a county assessor, a member of the county property tax assessment board of appeals,~~ or the department of local government finance, the owner or possessor is unable to verify that the chassis or vehicle was used to fulfill the identified order, an exemption claimed under subsection (c) shall be denied.

SECTION 75. IC 6-1.1-10.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) A high impact business that desires to obtain the property tax credit provided by section 10 of this chapter must file a certified credit application, on forms prescribed by the department of local government finance, with the auditor of the county in which the inventory is located. The credit application must be filed on or before May 15 each year. If the high impact business obtains a filing extension under IC 6-1.1-3-7(b) for any year, the application for the year must be filed by the extended due date for that year.

(b) The property tax credit application required by this section must contain the following information:

(1) The name of the high impact business owning the inventory.

(2) A description of the inventory for which a property tax credit is claimed in sufficient detail to afford identification.

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(3) The assessed value of the inventory subject to the property tax credit.

(4) Any other information considered necessary by the department of local government finance.

(c) On verification of the correctness of a property tax credit application by the ~~assessors county assessor~~ of the ~~townships county~~ in which the inventory is located, the county auditor shall grant the property tax credit.

(d) The property tax credit and the period of the credit provided for inventory under section 10 of this chapter are not affected by a change in the ownership of the high impact business if the new owner of the high impact business owning the inventory:

(1) continues the business operation of the high impact business within the commission's jurisdiction and maintains employment levels within the commission's jurisdiction consistent with the certification and pledge required under section 9(a) of this chapter; and

(2) files an application in the manner provided by subsections (a) and (b).

SECTION 76. IC 6-1.1-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) Subject to subsections (e) and (f), an owner of tangible property who wishes to obtain an exemption from property taxation shall file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. The application must be filed annually on or before May 15 on forms prescribed by the department of local government finance. Except as provided in sections 1, 3.5, and 4 of this chapter, the application applies only for the taxes imposed for the year for which the application is filed.

(b) The authority for signing an exemption application may not be delegated by the owner of the property to any other person except by an executed power of attorney.

(c) An exemption application which is required under this chapter shall contain the following information:

(1) A description of the property claimed to be exempt in sufficient detail to afford identification.

(2) A statement showing the ownership, possession, and use of the property.

(3) The grounds for claiming the exemption.

(4) The full name and address of the applicant.

(5) For the year that ends on the assessment date of the property,

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1 identification of:

2 (A) each part of the property used or occupied; and

3 (B) each part of the property not used or occupied;

4 for one (1) or more exempt purposes under IC 6-1.1-10 during the
5 time the property is used or occupied.

6 (6) Any additional information which the department of local
7 government finance may require.

8 (d) A person who signs an exemption application shall attest in
9 writing and under penalties of perjury that, to the best of the person's
10 knowledge and belief, a predominant part of the property claimed to be
11 exempt is not being used or occupied in connection with a trade or
12 business that is not substantially related to the exercise or performance
13 of the organization's exempt purpose.

14 (e) An owner must file with an application for exemption of real
15 property under subsection (a) or section 5 of this chapter a copy of the
16 ~~township~~ **county** assessor's record kept under IC 6-1.1-4-25(a) that
17 shows the calculation of the assessed value of the real property for the
18 assessment date for which the exemption is claimed. ~~Upon receipt of~~
19 ~~the exemption application, the county assessor shall examine that~~
20 ~~record and determine if the real property for which the exemption is~~
21 ~~claimed is properly assessed. If the county assessor determines that the~~
22 ~~real property is not properly assessed, the county assessor shall direct~~
23 ~~the township assessor of the township in which the real property is~~
24 ~~located to:~~

25 (1) ~~properly assess the real property; and~~

26 (2) ~~notify the county assessor and county auditor of the proper~~
27 ~~assessment.~~

28 (f) If the county assessor determines that the applicant has not filed
29 with an application for exemption a copy of the record referred to in
30 subsection (e), the county assessor shall notify the applicant in writing
31 of that requirement. The applicant then has thirty (30) days after the
32 date of the notice to comply with that requirement. The county property
33 tax assessment board of appeals shall deny an application described in
34 this subsection if the applicant does not comply with that requirement
35 within the time permitted under this subsection.

36 SECTION 77. IC 6-1.1-12-20 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. (a) A property
38 owner who desires to obtain the deduction provided by section 18 of
39 this chapter must file a certified deduction application, on forms
40 prescribed by the department of local government finance, with the
41 auditor of the county in which the rehabilitated property is located. The
42 application may be filed in person or by mail. If mailed, the mailing

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1 must be postmarked on or before the last day for filing. Except as
 2 provided in subsection (b), the application must be filed before May 10
 3 of the year in which the addition to assessed value is made.

4 (b) If notice of the addition to assessed value for any year is not
 5 given to the property owner before April 10 of that year, the application
 6 required by this section may be filed not later than thirty (30) days after
 7 the date such a notice is mailed to the property owner at the address
 8 shown on the records of the **township county** assessor.

9 (c) The application required by this section shall contain the
 10 following information:

11 (1) A description of the property for which a deduction is claimed
 12 in sufficient detail to afford identification.

13 (2) Statements of the ownership of the property.

14 (3) The assessed value of the improvements on the property
 15 before rehabilitation.

16 (4) The number of dwelling units on the property.

17 (5) The number of dwelling units rehabilitated.

18 (6) The increase in assessed value resulting from the
 19 rehabilitation.

20 (7) The amount of deduction claimed.

21 (d) A deduction application filed under this section is applicable for
 22 the year in which the increase in assessed value occurs and for the
 23 immediately following four (4) years without any additional application
 24 being filed.

25 (e) On verification of an application by the **county** assessor, ~~of the~~
 26 ~~township in which the property is located~~, the county auditor shall
 27 make the deduction.

28 SECTION 78. IC 6-1.1-12-24 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 24. (a) A property
 30 owner who desires to obtain the deduction provided by section 22 of
 31 this chapter must file a certified deduction application, on forms
 32 prescribed by the department of local government finance, with the
 33 auditor of the county in which the property is located. The application
 34 may be filed in person or by mail. If mailed, the mailing must be
 35 postmarked on or before the last day for filing. Except as provided in
 36 subsection (b), the application must be filed before May 10 of the year
 37 in which the addition to assessed valuation is made.

38 (b) If notice of the addition to assessed valuation for any year is not
 39 given to the property owner before April 10 of that year, the application
 40 required by this section may be filed not later than thirty (30) days after
 41 the date such a notice is mailed to the property owner at the address
 42 shown on the records of the **township county** assessor.

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(c) The application required by this section shall contain the following information:

- (1) the name of the property owner;
- (2) a description of the property for which a deduction is claimed in sufficient detail to afford identification;
- (3) the assessed value of the improvements on the property before rehabilitation;
- (4) the increase in the assessed value of improvements resulting from the rehabilitation; and
- (5) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the **county** assessor, ~~of the township in which the property is located~~, the county auditor shall make the deduction.

SECTION 79. IC 6-1.1-12-27.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 27.1. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before May 11 of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the **county** assessor, ~~of the township in which the real property or mobile home is subject to assessment~~, the county auditor shall allow the deduction.

SECTION 80. IC 6-1.1-12-28.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 28.5. (a) For purposes of this section:

"Hazardous waste" has the meaning set forth in IC 13-11-2-99(a) and includes a waste determined to be a hazardous waste under IC 13-22-2-3(b).

"Resource recovery system" means tangible property directly used to dispose of solid waste or hazardous waste by converting it into

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energy or other useful products.

"Solid waste" has the meaning set forth in IC 13-11-2-205(a) but does not include dead animals or any animal solid or semisolid wastes.

(b) Except as provided in this section, the owner of a resource recovery system is entitled to an annual deduction in an amount equal to ninety-five percent (95%) of the assessed value of the system if:

(1) the system was certified by the department of environmental management for the 1993 assessment year or a prior assessment year; and

(2) the owner filed a timely application for the deduction for the 1993 assessment year.

For purposes of this section, a system includes tangible property that replaced tangible property in the system after the certification by the department of environmental management.

(c) The owner of a resource recovery system that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of any violation under IC 13-7-13-3 (repealed), IC 13-7-13-4 (repealed), or IC 13-30-6; or

(2) is subject to an order or a consent decree with respect to property located in Indiana based upon a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(d) The certification of a resource recovery system by the department of environmental management for the 1993 assessment year or a prior assessment year is valid through the 1997 assessment year so long as the property is used as a resource recovery system. If the property is no longer used for the purpose for which the property was used when the property was certified, the owner of the property shall notify the county auditor. However, the deduction from the assessed value of the system is:

(1) ninety-five percent (95%) for the 1994 assessment year;

(2) ninety percent (90%) for the 1995 assessment year;

(3) seventy-five percent (75%) for the 1996 assessment year; and

(4) sixty percent (60%) for the 1997 assessment year.

Notwithstanding this section as it existed before 1995, for the 1994 assessment year, the portion of any tangible property comprising a resource recovery system that was assessed and first deducted for the 1994 assessment year may not be deducted for property taxes first due and payable in 1995 or later.

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(e) In order to qualify for a deduction under this section, the person who desires to claim the deduction must file an application with the county auditor after February 28 and before May 16 of the current assessment year. An application must be filed in each year for which the person desires to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. If the application is not filed before the applicable deadline under this subsection, the deduction is waived. The application must be filed on a form prescribed by the department of local government finance. The application for a resource recovery system deduction must include:

- (1) a certification by the department of environmental management for the 1993 assessment year or a prior assessment year as described in subsection (d); or
- (2) the certification by the department of environmental management for the 1993 assessment year as described in subsection (g).

Beginning with the 1995 assessment year, a person must also file an itemized list of all property on which a deduction is claimed. The list must include the date of purchase of the property and the cost to acquire the property.

(f) Before July 1, 1995, the department of environmental management shall transfer all the applications, records, or other material the department has with respect to resource recovery system deductions under this section for the 1993 and 1994 assessment years. The ~~township~~ **county** assessor shall verify each deduction application filed under this section, and the county auditor shall determine the deduction. The county auditor shall send to the department of local government finance a copy of each deduction application. The county auditor shall notify the county property tax assessment board of appeals of all deductions allowed under this section. A denial of a deduction claimed under this subsection may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the ~~township~~ **county** assessor or the county auditor.

(g) Notwithstanding subsection (d), the certification for the 1993 assessment year of a resource recovery system in regard to which a political subdivision is liable for the payment of the property taxes remains valid at the ninety-five percent (95%) deduction level allowed before 1994 as long as the political subdivision remains liable for the payment of the property taxes on the system.

SECTION 81. IC 6-1.1-12-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 30. Except as provided

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1 in section 36 of this chapter, a person who desires to claim the
 2 deduction provided by section 29 of this chapter must file a certified
 3 statement in duplicate, on forms prescribed by the department of local
 4 government finance, with the auditor of the county in which the real
 5 property or mobile home is subject to assessment. With respect to real
 6 property, the person must file the statement between March 1 and May
 7 10, inclusive, of each year for which the person desires to obtain the
 8 deduction. With respect to a mobile home which is not assessed as real
 9 property, the person must file the statement between January 15 and
 10 March 31, inclusive, of each year for which the person desires to obtain
 11 the deduction. On verification of the statement by the **county** assessor,
 12 ~~of the township in which the real property or mobile home is subject to~~
 13 ~~assessment~~, the county auditor shall allow the deduction.

14 SECTION 82. IC 6-1.1-12-35.5, AS AMENDED BY P.L.214-2005,
 15 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2007]: Sec. 35.5. (a) Except as provided in section 36 of this
 17 chapter, a person who desires to claim the deduction provided by
 18 section 31, 33, 34, or 34.5 of this chapter must file a certified statement
 19 in duplicate, on forms prescribed by the department of local
 20 government finance, and proof of certification under subsection (b) or
 21 (f) with the auditor of the county in which the property for which the
 22 deduction is claimed is subject to assessment. Except as provided in
 23 subsection (e), with respect to property that is not assessed under
 24 IC 6-1.1-7, the person must file the statement between March 1 and
 25 May 10, inclusive, of the assessment year. The person must file the
 26 statement in each year for which the person desires to obtain the
 27 deduction. With respect to a property which is assessed under
 28 IC 6-1.1-7, the person must file the statement between January 15 and
 29 March 31, inclusive, of each year for which the person desires to obtain
 30 the deduction. The statement may be filed in person or by mail. If
 31 mailed, the mailing must be postmarked on or before the last day for
 32 filing. On verification of the statement by the **county** assessor, ~~of the~~
 33 ~~township in which the property for which the deduction is claimed is~~
 34 ~~subject to assessment~~, the county auditor shall allow the deduction.

35 (b) This subsection does not apply to an application for a deduction
 36 under section 34.5 of this chapter. The department of environmental
 37 management, upon application by a property owner, shall determine
 38 whether a system or device qualifies for a deduction provided by
 39 section 31, 33, or 34 of this chapter. If the department determines that
 40 a system or device qualifies for a deduction, it shall certify the system
 41 or device and provide proof of the certification to the property owner.
 42 The department shall prescribe the form and manner of the certification

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process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification before April 10 of the assessment year, the department shall determine whether the system or device qualifies for a deduction before May 10 of the assessment year. If the department fails to make a determination under this subsection before May 10 of the assessment year, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the ~~township~~ county assessor, county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) between March 1 and May 15, inclusive, of that year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 4-4-30-5, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter before April 10 of an assessment year:

- (1) the center shall determine whether the building qualifies for a deduction before May 10 of the assessment year; and
- (2) if the center fails to make a determination before May 10 of the assessment year, the building is considered certified.

SECTION 83. IC 6-1.1-12-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

- (1) the assessed value of the person's property, including the

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1 assessed value of the improvements made to comply with the
 2 fertilizer storage rules adopted by the state chemist under
 3 IC 15-3-3-12 and the pesticide storage rules adopted by the state
 4 chemist under IC 15-3-3.5-11; minus

5 (2) the assessed value of the person's property, excluding the
 6 assessed value of the improvements made to comply with the
 7 fertilizer storage rules adopted by the state chemist under
 8 IC 15-3-3-12 and the pesticide storage rules adopted by the state
 9 chemist under IC 15-3-3.5-11.

10 (b) To obtain the deduction under this section, a person must file a
 11 certified statement in duplicate, on forms prescribed by the department
 12 of local government finance, with the auditor of the county in which the
 13 property is subject to assessment. In addition to the certified statement,
 14 the person must file a certification by the state chemist listing the
 15 improvements that were made to comply with the fertilizer storage
 16 rules adopted under IC 15-3-3-12 and the pesticide storage rules
 17 adopted by the state chemist under IC 15-3-3.5-11. The statement and
 18 certification must be filed before May 10 of the year preceding the year
 19 the deduction will first be applied. Upon the verification of the
 20 statement and certification by the **county** assessor, ~~of the township in~~
 21 ~~which the property is subject to assessment~~, the county auditor shall
 22 allow the deduction.

23 SECTION 84. IC 6-1.1-12-41, AS AMENDED BY P.L.199-2005,
 24 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2007]: Sec. 41. (a) This section does not apply to assessment
 26 years beginning after December 31, 2005.

27 (b) As used in this section, "assessed value of inventory" means the
 28 assessed value determined after the application of any deductions or
 29 adjustments that apply by statute or rule to the assessment of inventory,
 30 other than the deduction allowed under subsection (f).

31 (c) As used in this section, "county income tax council" means a
 32 council established by IC 6-3.5-6-2.

33 (d) As used in this section, "fiscal body" has the meaning set forth
 34 in IC 36-1-2-6.

35 (e) As used in this section, "inventory" has the meaning set forth in
 36 IC 6-1.1-3-11.

37 (f) An ordinance may be adopted in a county to provide that a
 38 deduction applies to the assessed value of inventory located in the
 39 county. The deduction is equal to one hundred percent (100%) of the
 40 assessed value of inventory located in the county for the appropriate
 41 year of assessment. An ordinance adopted under this section in a
 42 particular year applies:

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(1) if adopted before March 31, 2004, to each subsequent assessment year ending before January 1, 2006; and

(2) if adopted after March 30, 2004, and before June 1, 2005, to the March 1, 2005, assessment date.

An ordinance adopted under this section may be consolidated with an ordinance adopted under IC 6-3.5-7-25 or IC 6-3.5-7-26. The consolidation of an ordinance adopted under this section with an ordinance adopted under IC 6-3.5-7-26 does not cause the ordinance adopted under IC 6-3.5-7-26 to expire after December 31, 2005.

(g) An ordinance may not be adopted under subsection (f) after May 30, 2005. However, an ordinance adopted under this section:

(1) before March 31, 2004, may be amended after March 30, 2004; and

(2) before June 1, 2005, may be amended after May 30, 2005; to consolidate an ordinance adopted under IC 6-3.5-7-26.

(h) The entity that may adopt the ordinance permitted under subsection (f) is:

(1) the county income tax council if the county option income tax is in effect on January 1 of the year in which an ordinance under this section is adopted;

(2) the county fiscal body if the county adjusted gross income tax is in effect on January 1 of the year in which an ordinance under this section is adopted; or

(3) the county income tax council or the county fiscal body, whichever acts first, for a county not covered by subdivision (1) or (2).

To adopt an ordinance under subsection (f), a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax. The entity that adopts the ordinance shall provide a certified copy of the ordinance to the department of local government finance before February 1.

(i) A taxpayer is not required to file an application to qualify for the deduction permitted under subsection (f).

(j) The department of local government finance shall incorporate the deduction established in this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the township county assessor shall:

(1) determine the amount of the deduction; and

(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the

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deduction to the inventory assessment.

(k) The deduction established in this section must be applied to any inventory assessment made by:

- (1) an assessing official;
- (2) a county property tax board of appeals; or
- (3) the department of local government finance.

SECTION 85. IC 6-1.1-12-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 42. (a) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction established in subsection (c).

(b) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11.

(c) A taxpayer is entitled to a deduction from assessed value equal to one hundred percent (100%) of the taxpayer's assessed value of inventory beginning with assessments made in 2006 for property taxes first due and payable in 2007.

(d) A taxpayer is not required to file an application to qualify for the deduction established by this section.

(e) The department of local government finance shall incorporate the deduction established by this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the ~~township~~ **county** assessor shall:

- (1) determine the amount of the deduction; and
- (2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(f) The deduction established by this section must be applied to any inventory assessment made by:

- (1) an assessing official;
- (2) a county property tax assessment board of appeals; or
- (3) the department of local government finance.

SECTION 86. IC 6-1.1-12.1-5, AS AMENDED BY P.L.193-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or

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(e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the ~~township~~ **county** assessor.

(c) The deduction application required by this section must contain the following information:

(1) The name of the property owner.

(2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(3) The assessed value of the improvements before rehabilitation.

(4) The increase in the assessed value of improvements resulting from the rehabilitation.

(5) The assessed value of the new structure in the case of redevelopment.

(6) The amount of the deduction claimed for the first year of the deduction.

(7) If the deduction application is for a deduction in a residentially distressed area, the assessed value of the improvement or new structure for which the deduction is claimed.

(d) A deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of a new structure is made and in the following years the deduction is allowed without any additional deduction application being filed. However, property owners who had an area designated an urban development area pursuant to a deduction application filed prior to January 1, 1979, are only entitled to a deduction for a five (5) year period. In addition, property owners who are entitled to a deduction under this chapter pursuant to a deduction application filed after December 31, 1978, and before January 1, 1986, are entitled to a deduction for a ten (10) year period.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had

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1 been filed in accordance with subsection (a) or (b).

2 (f) Subject to subsection (i), the county auditor shall act as follows:

3 (1) If a determination about the number of years the deduction is
4 allowed has been made in the resolution adopted under section
5 2.5 of this chapter, the county auditor shall make the appropriate
6 deduction.

7 (2) If a determination about the number of years the deduction is
8 allowed has not been made in the resolution adopted under
9 section 2.5 of this chapter, the county auditor shall send a copy of
10 the deduction application to the designating body. Upon receipt
11 of the resolution stating the number of years the deduction will be
12 allowed, the county auditor shall make the appropriate deduction.

13 (3) If the deduction application is for rehabilitation or
14 redevelopment in a residentially distressed area, the county
15 auditor shall make the appropriate deduction.

16 (g) The amount and period of the deduction provided for property
17 by section 3 of this chapter are not affected by a change in the
18 ownership of the property if the new owner of the property:

19 (1) continues to use the property in compliance with any
20 standards established under section 2(g) of this chapter; and

21 (2) files an application in the manner provided by subsection (e).

22 (h) The ~~township~~ **county** assessor shall include a notice of the
23 deadlines for filing a deduction application under subsections (a) and
24 (b) with each notice to a property owner of an addition to assessed
25 value or of a new assessment.

26 (i) Before the county auditor acts under subsection (f), the county
27 auditor may request that the ~~township~~ **county** assessor of the ~~township~~
28 ~~in which the property is located~~ review the deduction application.

29 (j) A property owner may appeal a determination of the county
30 auditor under subsection (f) to deny or alter the amount of the
31 deduction by requesting in writing a preliminary conference with the
32 county auditor not more than forty-five (45) days after the county
33 auditor gives the person notice of the determination. An appeal
34 initiated under this subsection is processed and determined in the same
35 manner that an appeal is processed and determined under IC 6-1.1-15.

36 SECTION 87. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.193-2005,
37 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2007]: Sec. 5.4. (a) A person that desires to obtain the
39 deduction provided by section 4.5 of this chapter must file a certified
40 deduction schedule with the person's personal property return on a form
41 prescribed by the department of local government finance with the
42 ~~township~~ **county** assessor of the ~~township~~ **county** in which the new

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1 manufacturing equipment, new research and development equipment,
 2 new logistical distribution equipment, or new information technology
 3 equipment is located. Except as provided in subsection (e), the
 4 deduction is applied in the amount claimed in a certified schedule that
 5 a person files with:

6 (1) a timely personal property return under IC 6-1.1-3-7(a) or
 7 IC 6-1.1-3-7(b); or

8 (2) a timely amended personal property return under
 9 IC 6-1.1-3-7.5.

10 The ~~township~~ **county** assessor shall forward to the county auditor ~~and~~
 11 ~~the county assessor~~ a copy of each certified deduction schedule filed
 12 under this subsection.

13 (b) The deduction schedule required by this section must contain the
 14 following information:

15 (1) The name of the owner of the new manufacturing equipment,
 16 new research and development equipment, new logistical
 17 distribution equipment, or new information technology
 18 equipment.

19 (2) A description of the new manufacturing equipment, new
 20 research and development equipment, new logistical distribution
 21 equipment, or new information technology equipment.

22 (3) The amount of the deduction claimed for the first year of the
 23 deduction.

24 (c) This subsection applies to a deduction schedule with respect to
 25 new manufacturing equipment, new research and development
 26 equipment, new logistical distribution equipment, or new information
 27 technology equipment for which a statement of benefits was initially
 28 approved after April 30, 1991. If a determination about the number of
 29 years the deduction is allowed has not been made in the resolution
 30 adopted under section 2.5 of this chapter, the county auditor shall send
 31 a copy of the deduction schedule to the designating body, and the
 32 designating body shall adopt a resolution under section 4.5(g)(2) of this
 33 chapter.

34 (d) A deduction schedule must be filed under this section in the year
 35 in which the new manufacturing equipment, new research and
 36 development equipment, new logistical distribution equipment, or new
 37 information technology equipment is installed and in each of the
 38 immediately succeeding years the deduction is allowed.

39 (e) The ~~township assessor or the~~ county assessor may:

40 (1) review the deduction schedule; and

41 (2) before the March 1 that next succeeds the assessment date for
 42 which the deduction is claimed, deny or alter the amount of the

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deduction.

If the ~~township assessor or the~~ county assessor does not deny the deduction, the county auditor shall apply the deduction in the amount claimed in the deduction schedule or in the amount as altered by the ~~township assessor or the~~ county assessor. A ~~township assessor or a~~ county assessor who denies a deduction under this subsection or alters the amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor's action. The county auditor shall notify the designating body and the county property tax assessment board of appeals of all deductions applied under this section.

(f) If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

- (1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and
- (2) files the deduction schedules required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) A person may appeal a determination of the ~~township assessor or the~~ county assessor under subsection (e) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the ~~township assessor or the~~ county assessor not more than forty-five (45) days after the ~~township assessor or the~~ county assessor gives the person notice of the determination. Except as provided in subsection (i), an appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

(i) The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an appeal under subsection (h) of a determination by the county assessor.

SECTION 88. IC 6-1.1-12.1-5.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5.8. In lieu of providing the statement of benefits required by section 3 or 4.5 of this chapter and the additional information required by section 5.1 or 5.6 of this chapter, the designating body may, by resolution, waive the statement of benefits if the designating body finds that the purposes of this chapter are served by allowing the deduction and the property owner has,

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during the thirty-six (36) months preceding the first assessment date to which the waiver would apply, installed new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment or developed or rehabilitated property at a cost of at least ten million dollars (\$10,000,000) as determined by the **county** assessor. ~~of the township in which the property is located.~~

SECTION 89. IC 6-1.1-12.1-5.9, AS AMENDED BY P.L.193-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5.9. (a) This section does not apply to:

(1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or

(2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 1991.

(b) Not later than forty-five (45) days after receipt of the information described in section 5.1 or 5.6 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits approved under section 3 or 4.5 of this chapter. If the designating body determines that the property owner has not substantially complied with the statement of benefits and that the failure to substantially comply was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services), the designating body shall mail a written notice to the property owner. The written notice must include the following provisions:

(1) An explanation of the reasons for the designating body's determination.

(2) The date, time, and place of a hearing to be conducted by the designating body for the purpose of further considering the property owner's compliance with the statement of benefits. The date of the hearing may not be more than thirty (30) days after the date on which the notice is mailed.

(c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose of further considering the property owner's compliance with the statement of benefits. Based on the information presented at the hearing by the property owner and other interested parties, the designating body shall again determine whether the property owner has made reasonable efforts to substantially comply with the statement of benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner. If the designating body determines that the property owner has not made reasonable efforts to

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1 comply with the statement of benefits, the designating body shall adopt
 2 a resolution terminating the property owner's deduction under section
 3 3 or 4.5 of this chapter. If the designating body adopts such a
 4 resolution, the deduction does not apply to the next installment of
 5 property taxes owed by the property owner or to any subsequent
 6 installment of property taxes.

7 (d) If the designating body adopts a resolution terminating a
 8 deduction under subsection (c), the designating body shall immediately
 9 mail a certified copy of the resolution to:

10 (1) the property owner;

11 (2) the county auditor; and

12 (3) ~~if the deduction applied under section 4.5 of this chapter, the~~
 13 ~~township county~~ assessor.

14 The county auditor shall remove the deduction from the tax duplicate
 15 and shall notify the county treasurer of the termination of the
 16 deduction. If the designating body's resolution is adopted after the
 17 county treasurer has mailed the statement required by IC 6-1.1-22-8,
 18 the county treasurer shall immediately mail the property owner a
 19 revised statement that reflects the termination of the deduction.

20 (e) A property owner whose deduction is terminated by the
 21 designating body under this section may appeal the designating body's
 22 decision by filing a complaint in the office of the clerk of the circuit or
 23 superior court together with a bond conditioned to pay the costs of the
 24 appeal if the appeal is determined against the property owner. An
 25 appeal under this subsection shall be promptly heard by the court
 26 without a jury and determined within thirty (30) days after the time of
 27 the filing of the appeal. The court shall hear evidence on the appeal and
 28 may confirm the action of the designating body or sustain the appeal.
 29 The judgment of the court is final and conclusive unless an appeal is
 30 taken as in other civil actions.

31 (f) If an appeal under subsection (e) is pending, the taxes resulting
 32 from the termination of the deduction are not due until after the appeal
 33 is finally adjudicated and the termination of the deduction is finally
 34 determined.

35 SECTION 90. IC 6-1.1-12.4-1, AS ADDED BY P.L.193-2005,
 36 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2007]: Sec. 1. For purposes of this chapter, "official" means:

38 (1) a county auditor; ~~or~~

39 (2) a county assessor. ~~or~~

40 ~~(3) a township assessor.~~

41 SECTION 91. IC 6-1.1-12.4-2, AS ADDED BY P.L.193-2005,
 42 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2007]: Sec. 2. (a) For purposes of this section, an increase in the assessed value of real property is determined in the same manner that an increase in the assessed value of real property is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to a development, redevelopment, or rehabilitation that is first assessed after March 1, 2005, and before March 2, 2009. Except as provided in subsection (h) and sections 4, 5, and 8 of this chapter, an owner of real property that:

(1) develops, redevelops, or rehabilitates the real property; and

(2) creates or retains employment from the development, redevelopment, or rehabilitation;

is entitled to a deduction from the assessed value of the real property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the development, redevelopment, or rehabilitation occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to real property located in a county for a particular year equals the lesser of:

(1) two million dollars (\$2,000,000); or

(2) the product of:

(A) the increase in assessed value resulting from the development, rehabilitation, or redevelopment; multiplied by

(B) the percentage from the following table:

| YEAR OF DEDUCTION | PERCENTAGE |
|-------------------|------------|
| 1st | 75% |
| 2nd | 50% |
| 3rd | 25% |

(d) A property owner that qualifies for the deduction under this section must file a notice to claim the deduction in the manner prescribed by the department of local government finance under rules adopted by the department of local government finance under IC 4-22-2 to implement this chapter. The ~~township~~ county assessor shall:

(1) inform the county auditor of the real property eligible for the deduction as contained in the notice filed by the taxpayer under this subsection; and

(2) inform the county auditor of the deduction amount.

(e) The county auditor shall:

(1) make the deductions; and

(2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

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(f) The amount of the deduction determined under subsection (c)(2) is adjusted to reflect the percentage increase or decrease in assessed valuation that results from:

- (1) a general reassessment of real property under IC 6-1.1-4-4; or
- (2) an annual adjustment under IC 6-1.1-4-4.5.

(g) If an appeal of an assessment is approved that results in a reduction of the assessed value of the real property, the amount of the deduction under this section is adjusted to reflect the percentage decrease that results from the appeal.

(h) The deduction under this section does not apply to a facility listed in IC 6-1.1-12.1-3(e).

SECTION 92. IC 6-1.1-12.4-3, AS ADDED BY P.L.193-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) For purposes of this section, an increase in the assessed value of personal property is determined in the same manner that an increase in the assessed value of new manufacturing equipment is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to personal property that the owner purchases after March 1, 2005, and before March 2, 2009. Except as provided in sections 4, 5, and 8 of this chapter, an owner that purchases personal property other than inventory (as defined in 50 IAC 4.2-5-1, as in effect on January 1, 2005) that:

- (1) was never before used by its owner for any purpose in Indiana; and
- (2) creates or retains employment;

is entitled to a deduction from the assessed value of the personal property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the purchase of the personal property occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to personal property located in a county for a particular year equals the lesser of:

- (1) two million dollars (\$2,000,000); or
- (2) the product of:
 - (A) the increase in assessed value resulting from the purchase of the personal property; multiplied by
 - (B) the percentage from the following table:

| YEAR OF DEDUCTION | PERCENTAGE |
|-------------------|------------|
| 1st | 75% |
| 2nd | 50% |
| 3rd | 25% |

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(d) If an appeal of an assessment is approved that results in a reduction of the assessed value of the personal property, the amount of the deduction is adjusted to reflect the percentage decrease that results from the appeal.

(e) A property owner must claim the deduction under this section on the owner's annual personal property tax return. The ~~township~~ county assessor shall:

(1) identify the personal property eligible for the deduction to the county auditor; and

(2) inform the county auditor of the deduction amount.

(f) The county auditor shall:

(1) make the deductions; and

(2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

SECTION 93. IC 6-1.1-12.4-9, AS ADDED BY P.L.193-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. If an official terminates a deduction under section 8 of this chapter:

(1) the official shall immediately mail a certified copy of the determination to:

(A) the property owner; and

(B) if the determination is made by the county assessor, ~~or the township assessor~~, the county auditor;

(2) the county auditor shall:

(A) remove the deduction from the tax duplicate; and

(B) notify the county treasurer of the termination of the deduction; and

(3) if the official's determination to terminate the deduction occurs after the county treasurer has mailed the statement required by IC 6-1.1-22-8, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

SECTION 94. IC 6-1.1-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. When the county property tax assessment board of appeals convenes, the county auditor shall submit to the board the assessment list of the county for the current year as returned by ~~the township assessors and as amended and returned by~~ the county assessor. The county assessor shall make recommendations to the board for corrections and changes in the returns and assessments. The board shall consider and act upon all the recommendations.

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SECTION 95. IC 6-1.1-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. Each county assessor shall transmit to the department of local government finance **a copy of** each business personal property return ~~which the township assessor~~ **that the taxpayer** is required to deliver to the county assessor under ~~IC 6-1.1-3-18(b)~~ **file in duplicate under IC 6-1.1-3-7(c)** and any supporting data supplied by the taxpayer with the return. The return and supporting data shall be transmitted to the department of local government finance on or before the time prescribed by the department.

SECTION 96. IC 6-1.1-14-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. The county assessor ~~a township assessor~~, or ten (10) or more taxpayers who are affected by an equalization order issued under section 5 of this chapter may file a petition for review of the order with the county ~~assessor~~ **auditor** of the county to which the equalization order is issued. The petition must be filed within ten (10) days after notice of the order is given under section 9 of this chapter. The petition shall set forth, in the form and detail prescribed by the department of local government finance, the objections to the equalization order.

SECTION 97. IC 6-1.1-14-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) If a petition for review of an equalization order is filed with a county auditor under section 7 of this chapter, the county auditor shall immediately mail a certified copy of the petition and any information relevant to the petition to the department of local government finance. Within a reasonable period of time, the department of local government finance shall fix a date for a hearing on the petition. The hearing shall be held in the county to which the equalization order has been directed. At least three (3) days before the date fixed for the hearing, the department of local government finance shall give notice of the hearing by mail to the ~~township and county assessors~~ **assessor** whose ~~assessments are~~ **assessment is** affected by the order and to the first ten (10) taxpayers whose names appear on the petition for review at the addresses listed by those taxpayers on the petition. In addition, the department of local government finance shall give the notice, if any, required under section 9(a) of this chapter.

(b) After the hearing required by subsection (a), the department of local government finance may affirm, modify, or set aside its equalization order. The department shall certify its action with respect to the order to the county auditor. The county auditor shall immediately make any changes in the assessed values required by the action of the department of local government finance.

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(c) A person whose name appears on the petition for review may petition for judicial review of the final determination of the department of local government finance under subsection (b). The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (b).

SECTION 98. IC 6-1.1-15-1, AS AMENDED BY P.L.199-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) A taxpayer may obtain a review by the county property tax assessment board of appeals of a county ~~or township~~ official's action with respect to the assessment of the taxpayer's tangible property if the official's action requires the giving of notice to the taxpayer. At the time that notice is given to the taxpayer, the taxpayer shall also be informed in writing of:

- (1) the opportunity for review under this section, including an informal preliminary conference with the county ~~or township~~ official referred to in this subsection; and
- (2) the procedures the taxpayer must follow in order to obtain review under this section.

(b) In order to appeal a current assessment and have a change in the assessment effective for the most recent assessment date, the taxpayer must request in writing a preliminary conference with the county ~~or township~~ official referred to in subsection (a):

- (1) not later than forty-five (45) days after notice of a change in the assessment is given to the taxpayer; or
- (2) on or before May 10 of that year;

whichever is later. The preliminary conference required under this subsection is a prerequisite to a review by the county property tax assessment board of appeals under subsection (i).

(c) A change in an assessment made as a result of an appeal filed:

- (1) in the same year that notice of a change in the assessment is given to the taxpayer; and
- (2) after the time prescribed in subsection (b);

becomes effective for the next assessment date.

(d) A taxpayer may appeal a current real property assessment in a year even if the taxpayer has not received a notice of assessment in the year. If an appeal is filed on or before May 10 of a year in which the taxpayer has not received notice of assessment, a change in the assessment resulting from the appeal is effective for the most recent assessment date. If the appeal is filed after May 10, the change becomes effective for the next assessment date.

(e) The written request for a preliminary conference that is required under subsection (b) must include the following information:

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(1) The name of the taxpayer.

(2) The address and parcel or key number of the property.

(3) The address and telephone number of the taxpayer.

(f) The county ~~or township~~ official referred to in subsection (a) shall, not later than thirty (30) days after the receipt of a written request for a preliminary conference, attempt to hold a preliminary conference with the taxpayer to resolve as many issues as possible by:

(1) discussing the specifics of the taxpayer's reassessment;

(2) reviewing the taxpayer's property record card;

(3) explaining to the taxpayer how the reassessment was determined;

(4) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the reassessment;

(5) noting and considering objections of the taxpayer;

(6) considering all errors alleged by the taxpayer; and

(7) otherwise educating the taxpayer about:

(A) the taxpayer's reassessment;

(B) the reassessment process; and

(C) the reassessment appeal process.

Not later than ten (10) days after the conference, the county ~~or township~~ official referred to in subsection (a) shall forward to the county auditor and the county property tax assessment board of appeals the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The official and the taxpayer shall each retain a copy of the form for their records.

(g) The form submitted to the county property tax assessment board of appeals under subsection (f) must specify the following:

(1) The physical characteristics of the property in issue that bear on the assessment determination.

(2) All other facts relevant to the assessment determination.

(3) A list of the reasons the taxpayer believes that the assessment determination by the county ~~or township~~ official referred to in subsection (a) is incorrect.

(4) An indication of the agreement or disagreement by the official with each item listed under subdivision (3).

(5) The reasons the official believes that the assessment determination is correct.

(h) If after the conference there are no items listed on the form submitted to the county property tax assessment board of appeals under subsection (f) on which there is disagreement:

(1) the county ~~or township~~ official referred to in subsection (a)

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shall give notice to the taxpayer, the county property tax assessment board of appeals, and the county assessor of the assessment in the amount agreed to by the taxpayer and the official; and

(2) the county property tax assessment board of appeals may reserve the right to change the assessment under IC 6-1.1-13.

(i) If after the conference there are items listed in the form submitted under subsection (f) on which there is disagreement, the county property tax assessment board of appeals shall hold a hearing. The taxpayer and county ~~or township~~ official whose original determination is under review are parties to the proceeding before the board of appeals. Except as provided in subsections (k) and (l), the hearing must be held not later than ninety (90) days after the official's receipt of the taxpayer's written request for a preliminary conference under subsection (b). The taxpayer may present the taxpayer's reasons for disagreement with the assessment. The county ~~or township~~ official referred to in subsection (a) must present the basis for the assessment decision on these items to the board of appeals at the hearing and the reasons the taxpayer's appeal should be denied on those items. **The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an assessment determination by the county assessor.** The board of appeals shall have a written record of the hearing and prepare a written statement of findings and a decision on each item not later than sixty (60) days after the hearing, except as provided in subsections (k) and (l).

(j) If the ~~township assessor~~ **county official referred to in subsection (a)** does not attempt to hold a preliminary conference, the taxpayer may file a request in writing with the county assessor for a hearing before the property tax assessment board of appeals. If the board determines that the county ~~or township~~ official referred to in subsection (a) did not attempt to hold a preliminary conference, the board shall hold a hearing. The taxpayer and the county ~~or township~~ official whose original determination is under review are parties to the proceeding before the board of appeals. The hearing must be held not later than ninety (90) days after the receipt by the board of appeals of the taxpayer's hearing request under this subsection. The requirements of subsection (i) with respect to:

(1) participation in the hearing by the taxpayer and the ~~township assessor or~~ county assessor; and

(2) the procedures to be followed by the county board; apply to a hearing held under this subsection.

(k) This subsection applies to a county having a population of more

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than three hundred thousand (300,000). In the case of a petition filed after December 31, 2000, the county property tax assessment board of appeals shall:

- (1) hold its hearing not later than one hundred eighty (180) days instead of ninety (90) days after the filing of the petition; and
- (2) have a written record of the hearing and prepare a written statement of findings and a decision on each item not later than one hundred twenty (120) days after the hearing.

(l) This subsection applies to a county having a population of three hundred thousand (300,000) or less. With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the county property tax assessment board of appeals shall:

- (1) hold its hearing not later than one hundred eighty (180) days instead of ninety (90) days after the filing of the petition; and
- (2) have a written record of the hearing and prepare a written statement of findings and a decision on each item not later than one hundred twenty (120) days after the hearing.

(m) The county property tax assessment board of appeals:

- (1) may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (i) or (j); and
- (2) may amend the form submitted under subsection (f) if the board determines that the amendment is warranted.

(n) Upon receiving a request for a preliminary conference under subsection (b), the county ~~or township~~ official referred to in subsection (a) shall notify the county auditor in writing that the assessment is under appeal. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the appellant's name and address, the assessed value of the appealed items for the assessment date immediately preceding the assessment date for which the appeal was filed, and the assessed value of the appealed items on the most recent assessment date. If the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

SECTION 99. IC 6-1.1-15-2.1, AS AMENDED BY P.L.199-2005,

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SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2.1. (a) The county property tax assessment board of appeals may assess the tangible property in question.

(b) The county property tax assessment board of appeals shall, by mail, give notice of the date fixed for the hearing under section 1(i) of this chapter to the taxpayer, ~~the township assessor~~, the county assessor, and the county auditor. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the following:

(1) For those items on which there is disagreement, the assessed value of the appealed items:

(A) for the assessment date immediately preceding the assessment date for which the appeal was filed; and

(B) on the most recent assessment date.

(2) A statement that a taxing unit receiving the notice from the county auditor under subsection (c) may:

(A) attend the hearing;

(B) offer testimony; and

(C) file an amicus curiae brief in the proceeding.

A taxing unit that receives a notice from the county auditor under subsection (c) is not a party to the appeal.

(c) If, after receiving notice of a hearing under subsection (b), the county auditor determines that the assessed value of the items on which there is disagreement constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

(d) The department of local government finance shall prescribe a form for use by the county property tax assessment board of appeals in processing a review of an assessment determination. The department shall issue instructions for completion of the form. The form must require the county property tax assessment board of appeals to include a record of the hearing, findings on each item, and indicate agreement or disagreement with each item that is indicated on the form submitted by the taxpayer and the county ~~or township~~ official under section 1(f) of this chapter. The form must also require the county property tax assessment board of appeals to indicate the issues in dispute for each item and its reasons in support of its resolution of those issues.

(e) After the hearing the county property tax assessment board of

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appeals shall, by mail, give notice of its determination to the taxpayer, ~~the township assessor~~, the county assessor, the county auditor, and any taxing unit entitled to notice of the hearing under subsection (c). The county property tax assessment board of appeals shall include with the notice copies of the forms completed under subsection (d).

SECTION 100. IC 6-1.1-15-3, AS AMENDED BY P.L.199-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) A taxpayer may obtain a review by the Indiana board of a county property tax assessment board of appeals action with respect to the assessment of that taxpayer's tangible property if the county property tax assessment board of appeals' action requires the giving of notice to the taxpayer. A ~~township assessor~~, county assessor, member of a county property tax assessment board of appeals, or county property tax assessment board of appeals that made the original determination under appeal under this section is a party to the review under this section to defend the determination. At the time that notice is given to the taxpayer, the taxpayer shall also be informed in writing of:

- (1) the taxpayer's opportunity for review under this section; and
- (2) the procedures the taxpayer must follow in order to obtain review under this section.

(b) A ~~township assessor or~~ county assessor may obtain a review by the Indiana board of any assessment which the ~~township assessor or the~~ county assessor has made, upon which the ~~township assessor or the~~ county assessor has passed, or which has been made over the ~~township assessor's or the~~ county assessor's protest.

(c) In order to obtain a review by the Indiana board under this section, the party must file a petition for review with the appropriate county assessor not later than thirty (30) days after the notice of the county property tax assessment board of appeals action is given to the taxpayer.

(d) The Indiana board shall prescribe the form of the petition for review of an assessment determination by the county property tax assessment board of appeals. The Indiana board shall issue instructions for completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. An appeal of such a determination must be made on the form prescribed by the Indiana board. The form must require the petitioner to specify the following:

- (1) If the county ~~or township~~ official held a preliminary conference under section 1(f) of this chapter, the items listed in section 1(g)(1) and 1(g)(2) of this chapter.

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(2) The reasons why the petitioner believes that the assessment determination by the county property tax assessment board of appeals is erroneous.

(e) The county assessor shall transmit the petition for review to the Indiana board not later than ten (10) days after it is filed.

(f) If a ~~township assessor or~~ a member of the county property tax assessment board of appeals files a petition for review under this section concerning the assessment of a taxpayer's property, the county assessor must send a copy of the petition to the taxpayer. The county assessor shall transmit the petition for review to the Indiana board not later than ten (10) days after the petition is filed.

SECTION 101. IC 6-1.1-15-4, AS AMENDED BY P.L.199-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) After receiving a petition for review which is filed under section 3 of this chapter, the Indiana board shall conduct a hearing at its earliest opportunity. The Indiana board may:

(1) assign:

(A) full;

(B) limited; or

(C) no;

evidentiary value to the assessed valuation of tangible property determined by stipulation submitted as evidence of a comparable sale; and

(2) correct any errors that may have been made, and adjust the assessment in accordance with the correction.

(b) If the Indiana board conducts a site inspection of the property as part of its review of the petition, the Indiana board shall give notice to all parties of the date and time of the site inspection. The Indiana board is not required to assess the property in question. The Indiana board shall give notice of the date fixed for the hearing, by mail, to the taxpayer, ~~and to the appropriate township assessor;~~ county assessor, and ~~the~~ county auditor. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the following:

(1) The action of the county property tax assessment board of appeals with respect to the appealed items.

(2) A statement that a taxing unit receiving the notice from the county auditor under subsection (c) may:

(A) attend the hearing; and

(B) offer testimony.

A taxing unit that receives a notice from the county auditor under subsection (c) is not a party to the appeal. The Indiana board shall give

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these notices at least thirty (30) days before the day fixed for the hearing. The property tax assessment board of appeals that made the determination under appeal under this section may, with the approval of the county executive, file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the property tax assessment board of appeals in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment is under appeal is subject to assessment by that taxing unit.

(c) If, after receiving notice of a hearing under subsection (b), the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

(d) If a petition for review does not comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter, the Indiana board shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition. The Indiana board shall deny a corrected petition for review if it does not substantially comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter.

(e) The Indiana board shall prescribe a form for use in processing petitions for review of actions by the county property tax assessment board of appeals. The Indiana board shall issue instructions for completion of the form. The form must require the Indiana board to indicate agreement or disagreement with each item that is:

(1) if the county ~~or township~~ official held a preliminary conference under section 1(f) of this chapter, indicated on the petition submitted under that section by the taxpayer and the official; and

(2) included in the county property tax assessment board of appeals' findings, record, and determination under section 2.1(d) of this chapter.

The form must also require the Indiana board to indicate the issues in dispute and its reasons in support of its resolution of those issues.

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(f) After the hearing, the Indiana board shall give the petitioner, ~~the township assessor~~, the county assessor, the county auditor, and the affected taxing units required to be notified under subsection (c):

- (1) notice, by mail, of its final determination;
- (2) a copy of the form completed under subsection (e); and
- (3) notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

(g) Except as provided in subsection (h), the Indiana board shall conduct a hearing not later than nine (9) months after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(h) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(i) Except as provided in subsection (j), the Indiana board shall make a determination not later than the later of:

- (1) ninety (90) days after the hearing; or
- (2) the date set in an extension order issued by the Indiana board.

(j) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the Indiana board shall make a determination not later than the later of:

- (1) one hundred eighty (180) days after the hearing; or
- (2) the date set in an extension order issued by the Indiana board.

(k) Except as provided in subsection (p), the Indiana board may not extend the final determination date under subsection (i) or (j) by more than one hundred eighty (180) days. If the Indiana board fails to make a final determination within the time allowed by this subsection, the entity that initiated the petition may:

- (1) take no action and wait for the Indiana board to make a final determination; or
- (2) petition for judicial review under section 5(g) of this chapter.

(l) A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding. Findings must be based upon a preponderance of the evidence.

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(m) The Indiana board may limit the scope of the appeal to the issues raised in the petition and the evaluation of the evidence presented to the county property tax assessment board of appeals in support of those issues only if all persons participating in the hearing required under subsection (a) agree to the limitation. A person participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county property tax assessment board of appeals.

(n) The Indiana board:

(1) may require the parties to the appeal to file not more than five (5) business days before the date of the hearing required under subsection (a) documentary evidence or summaries of statements of testimonial evidence; and

(2) may require the parties to the appeal to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.

(o) A party to a proceeding before the Indiana board shall provide to another party to the proceeding the information described in subsection (n) if the other party requests the information in writing at least ten (10) days before the deadline for filing of the information under subsection (n).

(p) The county assessor may

~~(1)~~ appear as an additional party **in a review proceeding under this section** if the notice of appearance is filed before the review proceeding. ~~or~~

~~(2) with the approval of the township assessor, represent the township assessor;~~

~~in a review proceeding under this section.~~

(q) The Indiana board may base its final determination on a stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

(1) order that a final determination under this subsection has no precedential value; or

(2) specify a limited precedential value of a final determination under this subsection.

SECTION 102. IC 6-1.1-15-5, AS AMENDED BY P.L.199-2005,

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SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Not later than fifteen (15) days after the Indiana board gives notice of its final determination under section 4 of this chapter to the party or the maximum allowable time for the issuance of a final determination by the Indiana board under section 4 of this chapter expires, a party to the proceeding may request a rehearing before the Indiana board. The Indiana board may conduct a rehearing and affirm or modify its final determination, giving the same notices after the rehearing as are required by section 4 of this chapter. The Indiana board has fifteen (15) days after receiving a petition for a rehearing to determine whether to grant a rehearing. Failure to grant a rehearing not later than fifteen (15) days after receiving the petition shall be treated as a final determination to deny the petition. A petition for a rehearing does not toll the time in which to file a petition for judicial review unless the petition for rehearing is granted. If the Indiana board determines to rehear a final determination, the Indiana board:

(1) may conduct the additional hearings that the Indiana board determines necessary or review the written record without additional hearings; and

(2) shall issue a final determination not later than ninety (90) days after notifying the parties that the Indiana board will rehear the final determination.

If the Indiana board fails to make a final determination within the time allowed under subdivision (2), the entity that initiated the petition for rehearing may take no action and wait for the Indiana board to make a final determination or petition for judicial review under subsection (g).

(b) A person may petition for judicial review of the final determination of the Indiana board regarding the assessment of that person's tangible property. The action shall be taken to the tax court under IC 4-21.5-5. Petitions for judicial review may be consolidated at the request of the appellants if it can be done in the interest of justice. The property tax assessment board of appeals that made the determination under appeal under this section may, with the approval of the county executive, file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the property tax assessment board of appeals in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. In addition, the executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment is under appeal is subject to assessment by that taxing unit. The department of local government finance may intervene in an action

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1 taken under this subsection if the interpretation of a rule of the
 2 department is at issue in the action. A ~~township assessor~~, county
 3 assessor, member of a county property tax assessment board of appeals,
 4 or county property tax assessment board of appeals that made the
 5 original assessment determination under appeal under this section is a
 6 party to the review under this section to defend the determination.

7 (c) Except as provided in subsection (g), to initiate a proceeding for
 8 judicial review under this section, a person must take the action
 9 required by subsection (b) not later than:

10 (1) forty-five (45) days after the Indiana board gives the person
 11 notice of its final determination, unless a rehearing is conducted
 12 under subsection (a); or

13 (2) thirty (30) days after the Indiana board gives the person notice
 14 under subsection (a) of its final determination, if a rehearing is
 15 conducted under subsection (a) or the maximum time elapses for
 16 the Indiana board to make a determination under this section.

17 (d) The failure of the Indiana board to conduct a hearing within the
 18 period prescribed in section 4(h) or 4(i) of this chapter does not
 19 constitute notice to the person of an Indiana board final determination.

20 (e) The county executive may petition for judicial review to the tax
 21 court in the manner prescribed in this section upon request by the
 22 county assessor ~~the elected township assessor~~, or an affected taxing
 23 unit. If an appeal is taken at the request of an affected taxing unit, the
 24 taxing unit shall pay the costs of the appeal.

25 (f) If the county executive determines upon a request under this
 26 subsection to not appeal to the tax court:

27 (1) the entity described in subsection (b) that made the original
 28 determination under appeal under this section may take an appeal
 29 to the tax court in the manner prescribed in this section using
 30 funds from that entity's budget; and

31 (2) the petitioner may not be represented by the attorney general
 32 in an action described in subdivision (1).

33 (g) If the maximum time elapses for the Indiana board to give notice
 34 of its final determination under subsection (a) or section 4 of this
 35 chapter, a person may initiate a proceeding for judicial review by
 36 taking the action required by subsection (b) at any time after the
 37 maximum time elapses. If:

38 (1) a judicial proceeding is initiated under this subsection; and

39 (2) the Indiana board has not issued a determination;
 40 the tax court shall determine the matter de novo.

41 SECTION 103. IC 6-1.1-15-9, AS AMENDED BY P.L.199-2005,
 42 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2007]: Sec. 9. (a) If the assessment of tangible property is corrected by the department of local government finance or the county property tax assessment board of appeals under section 8 of this chapter, the owner of the property has a right to appeal the final determination of the corrected assessment to the Indiana board. The county executive also has a right to appeal the final determination of the reassessment by the department of local government finance or the county property tax assessment board of appeals but only upon request by the county assessor ~~the elected township assessor~~, or an affected taxing unit. If the appeal is taken at the request of an affected taxing unit, the taxing unit shall pay the costs of the appeal.

(b) An appeal under this section must be initiated in the manner prescribed in section 3 of this chapter or IC 6-1.5-5.

SECTION 104. IC 6-1.1-15-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) If a review or appeal authorized under this chapter results in a reduction of the amount of an assessment or if the department of local government finance on its own motion reduces an assessment, the taxpayer is entitled to a credit in the amount of any overpayment of tax on the next successive tax installment, if any, due in that year. After the credit is given, the county auditor shall:

- (1) determine if a further amount is due the taxpayer; and
- (2) if a further amount is due the taxpayer, notwithstanding IC 5-11-10-1 and IC 36-2-6-2, without a claim or an appropriation being required, pay the amount due the taxpayer.

The county auditor shall charge the amount refunded to the taxpayer against the accounts of the various taxing units to which the overpayment has been paid. The county auditor shall notify the county executive of the payment of the amount due. ~~and publish the allowance in the manner provided in IC 36-2-6-3.~~

(b) The notice under subsection (a)(2) is treated as a claim by the taxpayer for the amount due referred to in that subsection.

SECTION 105. IC 6-1.1-15-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) Subject to the limitations contained in subsections (c) and (d), a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

- (1) The description of the real property was in error.
- (2) The assessment was against the wrong person.
- (3) Taxes on the same property were charged more than one (1) time in the same year.
- (4) There was a mathematical error in computing the taxes or

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penalties on the taxes.

(5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.

(6) The taxes, as a matter of law, were illegal.

(7) There was a mathematical error in computing an assessment.

(8) Through an error of omission by any state or county officer the taxpayer was not given credit for an exemption or deduction permitted by law.

(b) The county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the state board of tax commissioners (before the board was abolished) or the department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by the state board of tax commissioners (before the board was abolished) or the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by **at least two (2) both** of the following officials:

~~(1) The township assessor.~~

~~(2) (1) The county auditor.~~

~~(3) (2) The county assessor.~~

If ~~two (2)~~ of these officials do not approve such a correction, the county auditor shall refer the matter to the county property tax assessment board of appeals for determination. The county property tax assessment board of appeals shall provide a copy of the determination to the taxpayer and to the county auditor.

(e) A taxpayer may appeal a determination of the county property tax assessment board of appeals to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, **and** the county assessor. ~~and the township assessor.~~

(f) If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county

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auditor.

(g) A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

(h) A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead initiate an objection under IC 6-1.1-8-28.

(i) A taxpayer that files a statement under IC 6-1.1-8-23 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead file an amended statement not more than six (6) months after the due date of the statement.

SECTION 106. IC 6-1.1-15-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. In any assessment review, the assessing official ~~the county assessor; and the members of a county property tax assessment board of appeals~~ shall:

(1) use the department of local government finance's rules in effect; and

(2) consider the conditions and circumstances of the property as they existed;

on the original assessment date of the property under review.

SECTION 107. IC 6-1.1-15-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. Notwithstanding any provision in the 2002 Real Property Assessment Manual and Real Property Assessment Guidelines for 2002-Version A, incorporated by reference in 50 IAC 2.3-1-2, a county property tax assessment board of appeals or the Indiana board shall consider all evidence relevant to the assessment of real property regardless of whether the evidence was submitted to the ~~township~~ **county** assessor before the assessment of the property.

SECTION 108. IC 6-1.1-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) Except as provided in section 2 of this chapter, an assessing official ~~county assessor~~, or county property tax assessment board of appeals may not change the assessed value claimed by a taxpayer on a personal property

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return unless the assessing official ~~county assessor~~, or county property tax assessment board of appeals takes the action and gives the notice required by IC 6-1.1-3-20 within the following time periods:

(1) ~~A township or county assessing official must make a change in the assessed value and give the notice of the change on or before the latter of:~~

(A) ~~September 15 of the year for which the assessment is made; or~~

(B) ~~four (4) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.~~

(2) ~~A county assessor~~ (1) **An assessing official** or county property tax assessment board of appeals must make a change in the assessed value, including the final determination by the board of an assessment changed by a ~~township or county~~ **an** assessing official, or county property tax assessment board of appeals and give the notice of the change on or before the ~~latter~~ **later** of:

(A) October 30 of the year for which the assessment is made; or

(B) five (5) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.

(3) ~~(2)~~ **(2)** The department of local government finance must make a preliminary change in the assessed value and give the notice of the change on or before the ~~latter~~ **later** of:

(A) October 1 of the year immediately following the year for which the assessment is made; or

(B) sixteen (16) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.

(b) Except as provided in section 2 of this chapter, if an assessing official ~~a county assessor~~, or a county property tax assessment board of appeals fails to change an assessment and give notice of the change within the time prescribed by this section, the assessed value claimed by the taxpayer on the personal property return is final.

(c) This section does not limit the authority of a county auditor to correct errors in a tax duplicate under IC 6-1.1-15-12.

(d) This section does not apply if the taxpayer:

(1) fails to file a personal property return which substantially complies with ~~the provisions of~~ this article and the regulations of the department of local government finance; or

(2) files a fraudulent personal property return with the intent to

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evade the payment of property taxes.

(e) A taxpayer may appeal a preliminary determination of the department of local government finance under subsection ~~(a)(3)~~ **(a)(2)** to the Indiana board. An appeal under this subdivision shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. A preliminary determination that is not appealed under this subsection is a final unappealable order of the department of local government finance.

SECTION 109. IC 6-1.1-16-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) If a county property tax assessment board of appeals fails to change an assessed value claimed by a taxpayer on a personal property return and give notice of the change within the time prescribed in ~~section 1(a)(2)~~ **section 1(a)(1)** of this chapter, the ~~township assessor or the county assessor~~ may file a petition for review of the assessment by the Indiana board. The ~~township assessor or the county assessor~~ must file the petition for review in the manner provided in IC 6-1.1-15-3(c). The time period for filing the petition begins to run on the last day that the county board is permitted to act on the assessment under ~~section 1(a)(2)~~ **section 1(a)(1)** of this chapter as though the board acted and gave notice of its action on that day.

(b) Notwithstanding ~~section 1(a)(3)~~ **section 1(a)(2)** of this chapter, the department of local government finance shall reassess tangible property when an appealed assessment of the property is remanded to the board under IC 6-1.1-15-8.

SECTION 110. IC 6-1.1-17-3, AS AMENDED BY P.L.234-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

- (1) the estimated budget;
- (2) the estimated maximum permissible levy;
- (3) the current and proposed tax levies of each fund; and
- (4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing.

(b) The board of directors of a solid waste management district

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established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(c) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(d) A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

- (1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund;
- (2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund;

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.

SECTION 111. IC 6-1.1-17-14, AS AMENDED BY P.L.234-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 14. The county auditor shall initiate an appeal to the department of local government finance if the county fiscal body or the county board of tax adjustment reduces

- (1) a township assistance tax rate below the rate necessary to meet the estimated cost of township assistance.
- (2) a family and children's fund tax rate below the rate necessary to collect the levy recommended by the department of child services; or
- (3) a children's psychiatric residential treatment services fund tax rate below the rate necessary to collect the levy recommended by the department of child services.

SECTION 112. IC 6-1.1-17-16, AS AMENDED BY P.L.228-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Subject to the limitations and

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requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in subsections (j), ~~and~~ (k), **and (l)** before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets by fund, tax rates, and tax levies of several political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets by fund, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

(d) Except as provided in subsection (i), IC 6-1.1-19, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. The department of local government finance shall give the political subdivision written notification specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ~~one (1) week~~ **two (2) weeks** from the date the political subdivision receives the notice to provide a written response to the department of local government finance's Indianapolis office specifying how to make the required reductions in the amount budgeted by fund. The department of local government finance shall make reductions as specified in the political subdivision's response if the response is provided as required by this subsection and sufficiently specifies all necessary reductions.

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1 The department of local government finance may make a revision, a
 2 reduction, or an increase in a political subdivision's budget only by
 3 fund.

4 (e) The department of local government finance may not approve a
 5 levy for lease payments by a city, town, county, library, or school
 6 corporation if the lease payments are payable to a building corporation
 7 for use by the building corporation for debt service on bonds and if:

8 (1) no bonds of the building corporation are outstanding; or

9 (2) the building corporation has enough legally available funds on
 10 hand to redeem all outstanding bonds payable from the particular
 11 lease rental levy requested.

12 (f) The department of local government finance shall certify its
 13 action to:

14 (1) the county auditor;

15 (2) the political subdivision if the department acts pursuant to an
 16 appeal initiated by the political subdivision;

17 (3) the first ten (10) taxpayers whose names appear on a petition
 18 filed under section 13 of this chapter; and

19 (4) a taxpayer that owns property that represents at least ten
 20 percent (10%) of the taxable assessed valuation in the political
 21 subdivision.

22 (g) The following may petition for judicial review of the final
 23 determination of the department of local government finance under
 24 subsection (f):

25 (1) If the department acts under an appeal initiated by a political
 26 subdivision, the political subdivision.

27 (2) If the department acts under an appeal initiated by taxpayers
 28 under section 13 of this chapter, a taxpayer who signed the
 29 petition under that section.

30 (3) If the department acts under an appeal initiated by the county
 31 auditor under section 14 of this chapter, the county auditor.

32 (4) A taxpayer that owns property that represents at least ten
 33 percent (10%) of the taxable assessed valuation in the political
 34 subdivision.

35 The petition must be filed in the tax court not more than forty-five (45)
 36 days after the department certifies its action under subsection (f).

37 (h) The department of local government finance is expressly
 38 directed to complete the duties assigned to it under this section not later
 39 than February 15th of each year for taxes to be collected during that
 40 year.

41 (i) Subject to the provisions of all applicable statutes, the
 42 department of local government finance may increase a political

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subdivision's tax levy to an amount that exceeds the amount originally fixed by the political subdivision if the increase is:

(1) requested in writing by the officers of the political subdivision;

(2) either:

(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or

(B) results from an inadvertent mathematical error made in determining the levy; and

(3) published by the political subdivision according to a notice provided by the department.

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

(k) The department of local government finance may hold a hearing under subsection (c) only if the notice required in IC 6-1.1-17-12 is published at least ten (10) days before the date of the hearing.

(l) This subsection does not apply to a school corporation. If a petition is not filed with:

(1) the proper officers of a political subdivision in accordance with section 5 of this chapter; or

(2) the county auditor in accordance with section 13 of this chapter;

the department of local government finance may not conduct a public hearing under subsection (c) and must limit its review of the political subdivision's budget, tax rate, and levy to a determination as to whether the political subdivision's proposed property tax levy for the ensuing year complies with IC 6-1.1-18.5-3.

SECTION 113. IC 6-1.1-18.5-9.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 9.7. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed under any of the following:

(1) IC 12-16, except IC 12-16-1.

~~(2) IC 12-19-5.~~

~~(3) (2) IC 12-19-7.~~

~~(4) (3) IC 12-19-7.5.~~

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~~(5)~~ (4) IC 12-20-24.

(5) IC 31-40-5.

(b) For purposes of computing the ad valorem property tax levy limits imposed under section 3 of this chapter, a county's or township's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under the citations listed in subsection (a).

(c) Section 8(b) of this chapter does not apply to bonded indebtedness that will be repaid through property taxes imposed under IC 12-19.

SECTION 114. IC 6-1.1-21-2, AS AMENDED BY P.L.1-2005, SECTION 92, AND AS AMENDED BY P.L.246-2005, SECTION 64, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means property taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges which a county treasurer combines with all other taxes in the preparation and delivery of the tax statements required under IC 6-1.1-22-8(a).

(c) "Department" means the department of state revenue.

(d) "Auditor's abstract" means the annual report prepared by each county auditor which under IC 6-1.1-22-5 is to be filed on or before March 1 of each year with the auditor of state.

(e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7.

(f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an auditor's abstract which change assessments therein or add assessments of omitted property affecting taxes for such assessment year.

(g) "Total county tax levy" means the sum of:

(1) the remainder of:

(A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the county for a stated assessment year as reflected by the auditor's abstract for the assessment year, adjusted, however, for any postabstract adjustments which change the amount of the aggregate levy; minus

(B) the sum of any increases in property tax levies of taxing units of the county that result from appeals described in:

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(i) IC 6-1.1-18.5-13(4) and IC 6-1.1-18.5-13(5) filed after December 31, 1982; plus

(ii) the sum of any increases in property tax levies of taxing units of the county that result from any other appeals described in IC 6-1.1-18.5-13 filed after December 31, 1983; plus

(iii) IC 6-1.1-18.6-3 (children in need of services and delinquent children who are wards of the county) **(before its repeal)**; minus

(C) the total amount of property taxes imposed for the stated assessment year by the taxing units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed), IC 12-19-5 **(repealed)**, or IC 12-20-24; minus

(D) the total amount of property taxes to be paid during the stated assessment year that will be used to pay for interest or principal due on debt that:

(i) is entered into after December 31, 1983;

(ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1, 1984; and

(iii) does not constitute debt entered into for the purpose of building, repairing, or altering school buildings for which the requirements of IC 20-5-52 *(repealed)* were satisfied prior to January 1, 1984; minus

(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(F) the remainder of:

(i) the total property taxes imposed in the county for the stated assessment year under authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

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(G) the amount of property taxes imposed in the county for the stated assessment year under:

- (i) IC 21-2-15 for a capital projects fund; plus
- (ii) IC 6-1.1-19-10 for a racial balance fund; plus
- (iii) ~~IC 20-14-13~~ IC 36-12-12 for a library capital projects fund; plus
- (iv) ~~IC 20-5-17.5-3~~ IC 36-10-13-7 for an art association fund; plus
- (v) IC 21-2-17 for a special education preschool fund; plus
- (vi) IC 21-2-11.6 for a referendum tax levy fund; plus
- (vii) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus
- (viii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible **general transportation** fund levy for transportation operating costs; minus

(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in IC 6-1.1-19-1.5 or any other law; minus

(I) for each township in the county, the lesser of:

- (i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE **(as effective January 1, 1990)** or IC 6-1.1-18.5-19(b) STEP THREE **(as effective January 1, 1990)**, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(4) **(as effective before January 1, 1989)**, filed after December 31, 1982; or
- (ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus

(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; minus

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(K) for each county the sum of:

(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 (repealed) that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN **(as effective January 1, 2005)** for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under ~~IC 12-19-7-4(b)~~, **and IC 12-19-7-4;**

(ii) the amount of property taxes imposed in the county attributable to appeals granted under IC 6-1.1-18.6-3 **(before its repeal)** that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN **(as effective January 1, 2005)** for property taxes payable in 1995, or the amount determined under ~~IC 12-19-7-4(b)~~ **IC 12-19-7-4** for property taxes payable in each year after 1995;

(iii) the amount of property taxes described in subdivision (1)(B)(iii), subdivision (1)(C), item (i), or item (ii) for the year 2006 that is included in the amount determined under IC 31-40-5 for property taxes payable in each year after 2006, as determined by the department of local government finance; and

(iv) the amount of property taxes imposed for a family and children's fund to reimburse the department of child services for the charge back of child services under IC 31-40-1-2; plus

(2) all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus

(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in IC 6-3.5-1.1; plus

(4) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus

(5) the difference between:

(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus

(B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year

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- 1 certified shares under IC 6-1.1-18.5-3(e).
- 2 (h) "December settlement sheet" means the certificate of settlement
3 filed by the county auditor with the auditor of state, as required under
4 IC 6-1.1-27-3.
- 5 (i) "Tax duplicate" means the roll of property taxes which each
6 county auditor is required to prepare on or before March 1 of each year
7 under IC 6-1.1-22-3.
- 8 (j) "Eligible property tax replacement amount" is, *except as*
9 *otherwise provided by law*, equal to the sum of the following:
- 10 (1) Sixty percent (60%) of the total county tax levy imposed by
11 each school corporation in a county for its general fund for a
12 stated assessment year.
- 13 (2) Twenty percent (20%) of the total county tax levy (less sixty
14 percent (60%) of the levy for the general fund of a school
15 corporation that is part of the total county tax levy) imposed in a
16 county on real property for a stated assessment year.
- 17 (3) Twenty percent (20%) of the total county tax levy (less sixty
18 percent (60%) of the levy for the general fund of a school
19 corporation that is part of the total county tax levy) imposed in a
20 county on tangible personal property, excluding business personal
21 property, for an assessment year.
- 22 (k) "Business personal property" means tangible personal property
23 (other than real property) that is being:
- 24 (1) held for sale in the ordinary course of a trade or business; or
25 (2) held, used, or consumed in connection with the production of
26 income.
- 27 (l) "Taxpayer's property tax replacement credit amount" means,
28 *except as otherwise provided by law*, the sum of the following:
- 29 (1) Sixty percent (60%) of a taxpayer's tax liability in a calendar
30 year for taxes imposed by a school corporation for its general fund
31 for a stated assessment year.
- 32 (2) Twenty percent (20%) of a taxpayer's tax liability for a stated
33 assessment year for a total county tax levy (less sixty percent
34 (60%) of the levy for the general fund of a school corporation that
35 is part of the total county tax levy) on real property.
- 36 (3) Twenty percent (20%) of a taxpayer's tax liability for a stated
37 assessment year for a total county tax levy (less sixty percent
38 (60%) of the levy for the general fund of a school corporation that
39 is part of the total county tax levy) on tangible personal property
40 other than business personal property.
- 41 (m) "Tax liability" means tax liability as described in section 5 of
42 this chapter.

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(n) "General school operating levy" means the ad valorem property tax levy of a school corporation in a county for the school corporation's general fund.

(o) "Board" refers to the property tax replacement fund board established under section 10 of this chapter.

SECTION 115. IC 6-1.1-21-4, AS AMENDED BY P.L.228-2005, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) Each year the department shall allocate from the property tax replacement fund an amount equal to the sum of:

(1) each county's total eligible property tax replacement amount for that year; plus

(2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed by each county for that year; plus

(3) an amount for each county that has one (1) or more taxing districts that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter. This amount is the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the subdivision (1) amount that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(b) Except as provided in subsection (e), between March 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (1/2) of the estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any

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changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require.

(d) All distributions provided for in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state. If the amounts allocated by the department from the property tax replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the deficiency shall be transferred from the state general fund to the property tax replacement fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the payment of that amount. However, any amount transferred under this section from the general fund to the property tax replacement fund shall, as soon as funds are available in the property tax replacement fund, be retransferred from the property tax replacement fund to the state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (g) and subject to subsection (h), the department shall not distribute under subsection (b) and section 10 of this chapter a percentage, determined by the department, of the money that would otherwise be distributed to the county under subsection (b) and section 10 of this chapter if:

(1) by the date the distribution is scheduled to be made, the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;

(2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section;

(3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date

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under IC 6-1.1-11-8(a);

(4) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure forms under ~~IC 6-1.1-5.5-3(b)~~; **IC 6-1.1-5.5-3(c)**;

(5) local assessing officials have not provided information to the department of local government finance in a timely manner under IC 4-10-13-5(b);

(6) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;

(7) ~~the elected township assessors in the county; the elected township assessors and the county assessor; or the county assessor~~ has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b);

(8) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a timely manner; or

(9) ~~a township or~~ county official has not provided other information to the department of local government finance in a timely manner as required by the department.

(f) Except as provided in subsection (i), money not distributed for the reasons stated in subsection (e) shall be distributed to the county when the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

has been corrected.

(g) The restrictions on distributions under subsection (e) do not apply if the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

in a timely manner is justified by unusual circumstances.

(h) The department shall give the county auditor at least thirty (30) days notice in writing before withholding a distribution under subsection (e).

(i) Money not distributed for the reason stated in subsection (e)(6) may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not subject to distribution under subsection (f).

SECTION 116. IC 6-1.1-22-8 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) The county
2 treasurer shall either:

3 (1) mail to the last known address of each person liable for any
4 property taxes or special assessment, as shown on the tax
5 duplicate or special assessment records, or to the last known
6 address of the most recent owner shown in the transfer book a
7 statement of current and delinquent taxes and special
8 assessments; or

9 (2) transmit by written, electronic, or other means to a mortgagee
10 maintaining an escrow account for a person who is liable for any
11 property taxes or special assessments, as shown on the tax
12 duplicate or special assessment records a statement of current and
13 delinquent taxes and special assessments.

14 (b) The county treasurer may include the following in the statement:

15 (1) An itemized listing for each property tax levy, including:

- 16 (A) the amount of the tax rate;
- 17 (B) the entity levying the tax owed; and
- 18 (C) the dollar amount of the tax owed.

19 (2) Information designed to inform the taxpayer or mortgagee
20 clearly and accurately of the manner in which the taxes billed in
21 the tax statement are to be used.

22 A form used and the method by which the statement and information,
23 if any, are transmitted must be approved by the **department of local**
24 **government finance and the** state board of accounts. The county
25 treasurer may mail or transmit the statement and information, if any,
26 one (1) time each year at least fifteen (15) days before the date on
27 which the first or only installment is due. Whenever a person's tax
28 liability for a year is due in one (1) installment under IC 6-1.1-7-7 or
29 section 9 of this chapter, a statement that is mailed must include the
30 date on which the installment is due and denote the amount of money
31 to be paid for the installment. Whenever a person's tax liability is due
32 in two (2) installments, a statement that is mailed must contain the
33 dates on which the first and second installments are due and denote the
34 amount of money to be paid for each installment.

35 (c) All payments of property taxes and special assessments shall be
36 made to the county treasurer. The county treasurer, when authorized by
37 the board of county commissioners, may open temporary offices for the
38 collection of taxes in cities and towns in the county other than the
39 county seat.

40 (d) Before July 1, 2004, the department of local government finance
41 shall designate five (5) counties to participate in a pilot program to
42 implement the requirements of subsection (e). The department shall

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1 immediately notify the county treasurer, county auditor, and county
 2 assessor in writing of the designation under this subsection. The
 3 legislative body of a county not designated for participation in the pilot
 4 program may adopt an ordinance to implement the requirements of
 5 subsection (e). The legislative body shall submit a copy of the
 6 ordinance to the department of local government finance, which shall
 7 monitor the county's implementation of the requirements of subsection
 8 (e) as if the county were a participant in the pilot program. The
 9 requirements of subsection (e) apply:

10 (1) only in:

11 (A) a county designated to participate in a pilot program under
 12 this subsection, for property taxes first due and payable after
 13 December 31, 2004, and before January 1, 2008; or

14 (B) a county adopting an ordinance under this subsection, for
 15 property taxes first due and payable after December 31, 2003,
 16 or December 31, 2004 (as determined in the ordinance), and
 17 before January 1, 2008; and

18 (2) in all counties for taxes first due and payable after December
 19 31, 2007.

20 (e) Subject to subsection (d), regardless of whether a county
 21 treasurer transmits a statement of current and delinquent taxes and
 22 special assessments to a person liable for the taxes under subsection
 23 (a)(1) or to a mortgagee under subsection (a)(2), the county treasurer
 24 shall mail the following information to the last known address of each
 25 person liable for the property taxes or special assessments or to the last
 26 known address of the most recent owner shown in the transfer book.
 27 The county treasurer shall mail the information not later than the date
 28 the county treasurer transmits a statement for the property under
 29 subsection (a)(1) or (a)(2). The county treasurer, county auditor, and
 30 county assessor shall cooperate to generate the information to be
 31 included on the form. The information that must be provided is the
 32 following:

33 (1) A breakdown showing the total property tax and special
 34 assessment liability and the amount of the taxpayer's liability that
 35 will be distributed to each taxing unit in the county.

36 (2) A comparison showing any change in the assessed valuation
 37 for the property as compared to the previous year.

38 (3) A comparison showing any change in the property tax and
 39 special assessment liability for the property as compared to the
 40 previous year. The information required under this subdivision
 41 must identify:

42 (A) the amount of the taxpayer's liability distributable to each

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taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(4) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

(C) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(D) The forms that must be filed for an appeal or a petition described in clause (C).

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(5) A checklist that shows:

(A) the homestead credit and all property tax deductions; and

(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection (a)(1) or (a)(2).

(f) The **statement required under this section and the** information required to be mailed under subsection (e) must be simply and clearly presented and understandable to the average individual. **After December 31, 2007, the statement and information required under this section must be in the uniform format prescribed by the department of local government finance. The department of local government finance shall provide for a uniform format that permits a taxpayer that has access to tax statements and information from more than one (1) taxing district to easily compare the property taxes and services provided by taxing units in a taxing district.**

(g) A county that incurs:

(1) initial computer programming costs directly related to implementation of the requirements of ~~subsection~~ **subsections (e) and (f);** or

(2) printing costs directly related to mailing information under subsection (e);

shall submit an itemized statement of the costs to the department of local government finance for reimbursement from the state. The

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1 treasurer of state shall pay a claim approved by the department of local
 2 government finance and submitted under this section on a warrant of
 3 the auditor of state. However, the treasurer of state may not pay any
 4 additional claims under this subsection after the total amount of claims
 5 paid reaches fifty thousand dollars (\$50,000).

6 SECTION 117. IC 6-1.1-22.5-12 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) Except as
 8 provided by subsection (c), each reconciling statement must indicate:

9 (1) the actual property tax liability under this article on the
 10 assessment determined for the assessment date for the property
 11 for which the reconciling statement is issued;

12 (2) the total amount paid under the provisional statement for the
 13 property for which the reconciling statement is issued;

14 (3) if the amount under subdivision (1) exceeds the amount under
 15 subdivision (2), that the excess is payable by the taxpayer:

16 (A) as a final reconciliation of the tax liability; and

17 (B) not later than:

18 (i) thirty (30) days after the date of the reconciling
 19 statement; or

20 (ii) if the county treasurer requests in writing that the
 21 commissioner designate a later date, the date designated by
 22 the commissioner; and

23 (4) if the amount under subdivision (2) exceeds the amount under
 24 subdivision (1), that the taxpayer may claim a refund of the excess
 25 under IC 6-1.1-26.

26 (b) If, upon receipt of the abstract referred to in section 6 of this
 27 chapter, the county treasurer determines that it is possible to complete
 28 the:

29 (1) preparation; and

30 (2) mailing or transmittal;

31 of the reconciling statement at least thirty (30) days before the due date
 32 of the November installment specified in the provisional statement, the
 33 county treasurer may request in writing that the department of local
 34 government finance permit the county treasurer to issue a reconciling
 35 statement that adjusts the amount of the November installment that was
 36 specified in the provisional statement. If the department approves the
 37 county treasurer's request, the county treasurer shall prepare and mail
 38 or transmit the reconciling statement at least thirty (30) days before the
 39 due date of the November installment specified in the provisional
 40 statement.

41 (c) A reconciling statement prepared under subsection (b) must
 42 indicate:

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(1) the actual property tax liability under this article on the assessment determined for the assessment date for the property for which the reconciling statement is issued;

(2) the total amount of the May installment paid under the provisional statement for the property for which the reconciling statement is issued;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount of the November installment that is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than:

(i) November 10; or

(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(d) After December 31, 2007, regardless of whether a county treasurer transmits a reconciling statement to a person liable for the taxes or to a mortgagee, the county treasurer shall mail the following information to the last known address of each person liable for the property taxes or special assessments or to the last known address of the most recent owner shown in the transfer book. The county treasurer shall mail the information not later than the date the county treasurer transmits the reconciling statement under this section. The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included on the form. The information that must be provided is the following:

(1) A breakdown of the actual property tax liability under this article on the assessment determined for the assessment date and special assessment liability for the property for which the reconciling statement is issued that is to be distributed to each taxing unit in the county.

(2) A comparison showing any change in the assessed valuation for the property as compared to the immediately preceding assessment date.

(3) A comparison showing any change in the property tax and special assessment liability for the property as compared to the immediately preceding assessment date. The information required under this subdivision must identify:

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(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the year for which the reconciling statement is made and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the year in which the reconciling statement is provided.

(4) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

(C) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(D) The forms that must be filed for an appeal or a petition described in clause (C).

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(5) A checklist that shows:

(A) the homestead credit and all property tax deductions; and

(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection (a)(1) or (a)(2).

(e) The reconciling statement required under this section and the information required to be mailed under subsection (d) must be simply and clearly presented and understandable to the average individual. After December 31, 2007, the statement and information required under this section must be in the uniform format prescribed by the department of local government finance. The department of local government finance shall provide for a uniform format that permits a taxpayer that has access to tax statements and information from more than one (1) taxing district to easily compare the property taxes and services provided to each taxing unit in a taxing district.

(f) A county that incurs:

(1) initial computer programming costs directly related to implementation of the requirements of subsection (e); or

(2) printing costs directly related to mailing information

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1 **under subsection (e);**
 2 **shall submit an itemized statement of the costs to the department**
 3 **of local government finance for reimbursement from the state. The**
 4 **treasurer of state shall pay a claim approved by the department of**
 5 **local government finance and submitted under this section on a**
 6 **warrant of the auditor of state. However, the treasurer of state**
 7 **may not pay any additional claims under this subsection after the**
 8 **total amount of claims paid reaches fifty thousand dollars**
 9 **(\$50,000).**

10 SECTION 118. IC 6-1.1-23-1, AS AMENDED BY P.L.214-2005,
 11 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2007]: Sec. 1. (a) Annually, after November 10th but before
 13 August 1st of the succeeding year, each county treasurer shall serve a
 14 written demand upon each county resident who is delinquent in the
 15 payment of personal property taxes. Annually, after May 10 but before
 16 October 31 of the same year, each county treasurer may serve a written
 17 demand upon a county resident who is delinquent in the payment of
 18 personal property taxes. The written demand may be served upon the
 19 taxpayer:

- 20 (1) by registered or certified mail;
- 21 (2) in person by the county treasurer or the county treasurer's
- 22 agent; or
- 23 (3) by proof of certificate of mailing.

24 (b) The written demand required by this section shall contain:

- 25 (1) a statement that the taxpayer is delinquent in the payment of
- 26 personal property taxes;
- 27 (2) the amount of the delinquent taxes;
- 28 (3) the penalties due on the delinquent taxes;
- 29 (4) the collection expenses which the taxpayer owes; and
- 30 (5) a statement that if the sum of the delinquent taxes, penalties,
- 31 and collection expenses are not paid within thirty (30) days from
- 32 the date the demand is made then:

- 33 (A) sufficient personal property of the taxpayer shall be sold
- 34 to satisfy the total amount due plus the additional collection
- 35 expenses incurred; or
- 36 (B) a judgment may be entered against the taxpayer in the
- 37 circuit court of the county.

38 (c) Subsections (d) through (g) apply only to personal property that:

- 39 (1) is subject to a lien of a creditor imposed under an agreement
- 40 entered into between the debtor and the creditor after June 30,
- 41 2005;
- 42 (2) comes into the possession of the creditor or the creditor's agent

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after May 10, 2006, to satisfy all or part of the debt arising from the agreement described in subdivision (1); and (3) has an assessed value of at least three thousand two hundred dollars (\$3,200).

(d) For the purpose of satisfying a creditor's lien on personal property, the creditor of a taxpayer that comes into possession of personal property on which the taxpayer is adjudicated delinquent in the payment of personal property taxes must pay in full to the county treasurer the amount of the delinquent personal property taxes determined under STEP SEVEN of the following formula from the proceeds of any transfer of the personal property made by the creditor or the creditor's agent before applying the proceeds to the creditor's lien on the personal property:

STEP ONE: Determine the amount realized from any transfer of the personal property made by the creditor or the creditor's agent after the payment of the direct costs of the transfer.

STEP TWO: Determine the amount of the delinquent taxes, including penalties and interest accrued on the delinquent taxes as identified on the form described in subsection (f) by the county treasurer.

STEP THREE: Determine the amount of the total of the unpaid debt that is a lien on the transferred property that was perfected before the assessment date on which the delinquent taxes became a lien on the transferred property.

STEP FOUR: Determine the sum of the STEP TWO amount and the STEP THREE amount.

STEP FIVE: Determine the result of dividing the STEP TWO amount by the STEP FOUR amount.

STEP SIX: Multiply the STEP ONE amount by the STEP FIVE amount.

STEP SEVEN: Determine the lesser of the following:

(A) The STEP TWO amount.

(B) The STEP SIX amount.

(e) This subsection applies to transfers made by a creditor after May 10, 2006. As soon as practicable after a creditor comes into possession of the personal property described in subsection (c), the creditor shall request the form described in subsection (f) from the county treasurer. Before a creditor transfers personal property described in subsection (d) on which delinquent personal property taxes are owed, the creditor must obtain from the county treasurer a delinquent personal property tax form and file the delinquent personal property tax form with the county treasurer. The creditor shall provide the county treasurer with:

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- (1) the name and address of the debtor; and
- (2) a specific description of the personal property described in subsection (d);

when requesting a delinquent personal property tax form.

(f) The delinquent personal property tax form must be in a form prescribed by the state board of accounts under IC 5-11 and must require the following information:

(1) The name and address of the debtor as identified by the creditor.

(2) A description of the personal property identified by the creditor and now in the creditor's possession.

(3) The assessed value of the personal property identified by the creditor and now in the creditor's possession, as determined under subsection (g).

(4) The amount of delinquent personal property taxes owed on the personal property identified by the creditor and now in the creditor's possession, as determined under subsection (g).

(5) A statement notifying the creditor that ~~IC 6-1.1-23-1~~ **this section** requires that a creditor, upon the liquidation of personal property for the satisfaction of the creditor's lien, must pay in full the amount of delinquent personal property taxes owed as determined under subsection (d) on the personal property in the amount identified on this form from the proceeds of the liquidation before the proceeds of the liquidation may be applied to the creditor's lien on the personal property.

(g) The county treasurer shall provide the delinquent personal property tax form described in subsection (f) to the creditor not later than fourteen (14) days after the date the creditor requests the delinquent personal property tax form. The county ~~and township assessors~~ **assessor** shall assist the county treasurer in determining the appropriate assessed value of the personal property and the amount of delinquent personal property taxes owed on the personal property. Assistance provided by the county ~~and township assessors~~ **assessor** must include providing the county treasurer with relevant personal property forms filed with the ~~assessors~~ **assessor** and providing the county treasurer with any other assistance necessary to accomplish the purposes of this section.

SECTION 119. IC 6-1.1-24-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

- (1) A list of tracts or real property eligible for sale under this

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chapter.

(2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption.

(3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:

(A) the delinquent taxes and special assessments on each tract or item of real property;

(B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, whether or not they are delinquent;

(C) all penalties due on the delinquencies;

(D) an amount prescribed by the county auditor that equals the sum of:

(i) twenty-five dollars (\$25) for postage and publication costs; and

(ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and

(E) any unpaid costs due under subsection (b) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay:

(A) one hundred ten percent (110%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed not more than six (6) months after the date of sale;

(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and

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street address, if any, or a common description of the property other than a legal description. The ~~township~~ **county** assessor, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

(i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and
(ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be filed with the court before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. Except as provided in section 5.5 of this chapter, the sale must take place on or after August 1 and before November 1 of each year.

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).

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(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (d), a statement that tracts or items will be sold together.

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(d) The county auditor and county treasurer may establish the condition that a tract or item will be sold and may be redeemed under this chapter only if the tract or item is sold or redeemed together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person.

SECTION 120. IC 6-1.1-25-4.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4.1. (a) If, as provided in section 4(f) of this chapter, the county auditor does not issue a deed to the county for property for which a certificate of sale has been issued to the county under IC 6-1.1-24-9 because the county executive determines that the property contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property, the property may be transferred consistent with the provisions of this section.

(b) A person who desires to obtain title to and eliminate the

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hazardous conditions of property containing hazardous waste or another environmental hazard for which a county holds a certificate of sale but to which a deed may not be issued to the county under section 4(f) of this chapter may file a petition with the county auditor seeking a waiver of the delinquent taxes, special assessments, interest, penalties, and costs assessed against the property and transfer of the title to the property to the petitioner. The petition must:

- (1) be on a form prescribed by the state board of accounts and approved by the department of local government finance;
- (2) state the amount of taxes, special assessments, penalties, and costs assessed against the property for which a waiver is sought;
- (3) describe the conditions existing on the property that have prevented the sale or the transfer of title to the county;
- (4) describe the plan of the petitioner for elimination of the hazardous condition on the property under IC 13-25-5 and the intended use of the property; and
- (5) be accompanied by a fee established by the county auditor for completion of a title search and processing.

(c) Upon receipt of a petition described in subsection (b), the county auditor shall review the petition to determine whether the petition is complete. If the petition is not complete, the county auditor shall return the petition to the petitioner and describe the defects in the petition. The petitioner may correct the defects and file the completed petition with the county auditor. Upon receipt of a completed petition, the county auditor shall forward a copy of the petition to:

- (1) the **county** assessor; ~~of the township in which the property is located;~~
- (2) the owner;
- (3) all persons who have, as of the date of the filing of the petition, a substantial interest of public record in the property;
- (4) the county property tax assessment board of appeals; and
- (5) the department of local government finance.

(d) Upon receipt of a petition described in subsection (b), the county property tax assessment board of appeals shall, at the county property tax assessment board of appeals' earliest opportunity, conduct a public hearing on the petition. The county property tax assessment board of appeals shall, by mail, give notice of the date, time, and place fixed for the hearing to:

- (1) the petitioner;
- (2) the owner;
- (3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property; and

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1 (4) the **county** assessor. ~~of the township in which the property is~~
 2 ~~located.~~

3 In addition, notice of the public hearing on the petition shall be
 4 published one (1) time at least ten (10) days before the hearing in a
 5 newspaper of countywide circulation and posted at the principal office
 6 of the county property tax assessment board of appeals, or at the
 7 building where the meeting is to be held.

8 (e) After the hearing and completion of any additional investigation
 9 of the property or of the petitioner that is considered necessary by the
 10 county property tax assessment board of appeals, the county board shall
 11 give notice, by mail, to the parties listed in subsection (d) of the county
 12 property tax assessment board of appeals' recommendation as to
 13 whether the petition should be granted. The county property tax
 14 assessment board of appeals shall forward to the department of local
 15 government finance a copy of the county property tax assessment board
 16 of appeals' recommendation and a copy of the documents submitted to
 17 or collected by the county property tax assessment board of appeals at
 18 the public hearing or during the course of the county board of appeals'
 19 investigation of the petition.

20 (f) Upon receipt by the department of local government finance of
 21 a recommendation by the county property tax assessment board of
 22 appeals, the department of local government finance shall review the
 23 petition and all other materials submitted by the county property tax
 24 assessment board of appeals and determine whether to grant the
 25 petition. Notice of the determination by the department of local
 26 government finance and the right to seek an appeal of the
 27 determination shall be given by mail to:

- 28 (1) the petitioner;
- 29 (2) the owner;
- 30 (3) all persons who have, as of the date the petition was filed, a
- 31 substantial interest of public record in the property;
- 32 (4) the **county** assessor; ~~of the township in which the property is~~
- 33 ~~located~~; and
- 34 (5) the county property tax assessment board of appeals.

35 (g) Any person aggrieved by a determination of the department of
 36 local government finance under subsection (f) may file an appeal
 37 seeking additional review by the department of local government
 38 finance and a public hearing. In order to obtain a review under this
 39 subsection, the aggrieved person must file a petition for appeal with the
 40 county auditor in the county where the tract or item of real property is
 41 located not more than thirty (30) days after issuance of notice of the
 42 determination of the department of local government finance. The

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1 county auditor shall transmit the petition for appeal to the department
2 of local government finance not more than ten (10) days after the
3 petition is filed.

4 (h) Upon receipt by the department of local government finance of
5 an appeal, the department of local government finance shall set a date,
6 time, and place for a hearing. The department of local government
7 finance shall give notice, by mail, of the date, time, and place fixed for
8 the hearing to:

- 9 (1) the person filing the appeal;
- 10 (2) the petitioner;
- 11 (3) the owner;
- 12 (4) all persons who have, as of the date the petition was filed, a
- 13 substantial interest of public record in the property;
- 14 (5) the **county** assessor; ~~of the township in which the property is~~
- 15 ~~located~~; and
- 16 (6) the county property tax assessment board of appeals.

17 The department of local government finance shall give the notices at
18 least ten (10) days before the day fixed for the hearing.

19 (i) After the hearing, the department of local government finance
20 shall give the parties listed in subsection (h) notice by mail of the final
21 determination of the department of local government finance.

22 (j) If the department of local government finance decides to:

- 23 (1) grant the petition submitted under subsection (b) after initial
- 24 review of the petition under subsection (f) or after an appeal
- 25 under subsection (h); and
- 26 (2) waive the taxes, special assessments, interest, penalties, and
- 27 costs assessed against the property;

28 the department of local government finance shall issue to the county
29 auditor an order directing the removal from the tax duplicate of the
30 taxes, special assessments, interest, penalties, and costs for which the
31 waiver is granted.

32 (k) After:

- 33 (1) at least thirty (30) days have passed since the issuance of a
- 34 notice by the department of local government finance to the
- 35 county property tax assessment board of appeals granting a
- 36 petition filed under subsection (b), if no appeal has been filed; or
- 37 (2) not more than thirty (30) days after receipt by the county
- 38 property tax assessment board of appeals of a notice of a final
- 39 determination of the department of local government finance
- 40 granting a petition filed under subsection (b) after an appeal has
- 41 been filed and heard under subsection (h);

42 the county auditor shall file a verified petition and an application for an

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order on the petition in the court in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed to the real property. The petition shall contain the certificate of sale issued to the county, a copy of the petition filed under subsection (b), and a copy of the notice of the final determination of the department of local government finance directing the county auditor to remove the taxes, interest, penalties, and costs from the tax duplicate. Notice of the filing of the petition and application for an order on the petition shall be given, by mail, to the owner and any person with a substantial interest of public record in the property. A person owning or having an interest in the property may appear to object to the petition.

(l) The court shall enter an order directing the county auditor to issue a tax deed to the petitioner under subsection (b) if the court finds that the following conditions exist:

(1) The time for redemption has expired.

(2) The property has not been redeemed before the expiration of the period of redemption specified in section 4 of this chapter.

(3) All taxes, special assessments, interest, penalties, and costs have been waived by the department of local government finance or, to the extent not waived, paid by the petitioner under subsection (b).

(4) All notices required by this section and sections 4.5 and 4.6 of this chapter have been given.

(5) The petitioner under subsection (b) has complied with all the provisions of law entitling the petitioner to a tax deed.

(m) A tax deed issued under this section is uncontestable except by appeal from the order of the court directing the county auditor to issue the tax deed. The appeal must be filed not later than sixty (60) days after the date of the court's order.

SECTION 121. IC 6-1.1-31-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Subject to this article, the rules adopted by the department of local government finance are the basis for determining the true tax value of tangible property.

(b) ~~Local~~ Assessing officials ~~members of the county property tax assessment board of appeals, and county assessors~~ shall:

(1) comply with the rules, appraisal manuals, bulletins, and directives adopted by the department of local government finance;

(2) use the property tax forms, property tax returns, and notice forms prescribed by the department; and

(3) collect and record the data required by the department.

(c) In assessing tangible property, the ~~township assessors, members~~

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of the county property tax assessment board of appeals, and county assessors **assessing officials** may consider factors in addition to those prescribed by the department of local government finance if the use of the additional factors is first approved by the department. Each township assessor, of the county property tax assessment board of appeals, and the county assessor **assessing official** shall indicate on his **the official's** records for each individual assessment whether:

- (1) only the factors contained in the department's rules, forms, and returns have been considered; or
- (2) factors in addition to those contained in the department's rules, forms, and returns have been considered.

SECTION 122. IC 6-1.1-31.5-3.5, AS AMENDED BY P.L.228-2005, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3.5. (a) Until the system described in subsection (e) is implemented, each county shall maintain a state certified computer system that has the capacity to:

- (1) process and maintain assessment records;
- (2) process and maintain standardized property tax forms;
- (3) process and maintain standardized property assessment notices;
- (4) maintain complete and accurate assessment records for the county; and
- (5) process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor ~~with the recommendation of the township assessors~~ shall select the computer system. ~~used by township assessors and the county assessor in the county except in a county with an elected township assessor in every township. In a county with an elected township assessor in every township, the elected township assessors shall select a computer system based on a majority vote of the township assessors in the county.~~

(b) All information on a computer system referred to in subsection (a) shall be readily accessible to:

- ~~(1) township assessors;~~
- ~~(2) the county assessor;~~
- ~~(3) (1) the department of local government finance; and~~
- ~~(4) members of the county property tax assessment board of appeals.~~

(2) assessing officials.

(c) The certified system referred to in subsection (a) used by the counties must be:

- (1) compatible with the data export and transmission

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1 requirements in a standard format prescribed by the office of
 2 technology established by IC 4-13.1-2-1 and approved by the
 3 legislative services agency; and

4 (2) maintained in a manner that ensures prompt and accurate
 5 transfer of data to the department of local government finance and
 6 the legislative services agency.

7 (d) All standardized property forms and notices on the certified
 8 computer system referred to in subsection (a) shall be maintained by
 9 the township assessor and the county assessor in an accessible location
 10 and in a format that is easily understandable for use by persons of the
 11 county.

12 (e) The department shall adopt rules before July 1, 2006, for the
 13 establishment of:

14 (1) a uniform and common property tax management system
 15 among all counties that:

16 (A) includes a combined mass appraisal and county auditor
 17 system integrated with a county treasurer system; and

18 (B) replaces the computer system referred to in subsection (a);
 19 and

20 (2) a schedule for implementation of the system referred to in
 21 subdivision (1) structured to result in the implementation of the
 22 system in all counties with respect to an assessment date:

23 (A) determined by the department; and

24 (B) specified in the rule.

25 (f) The department shall appoint an advisory committee to assist the
 26 department in the formulation of the rules referred to in subsection (e).
 27 The department shall determine the number of members of the
 28 committee. The committee:

29 (1) must include at least:

30 ~~(A) one (1) township assessor;~~

31 ~~(B)~~ (A) one (1) county assessor;

32 ~~(C)~~ (B) one (1) county auditor; and

33 ~~(D)~~ (C) one (1) county treasurer; and

34 (2) shall meet at times and locations determined by the
 35 department.

36 (g) Each member of the committee appointed under subsection (f)
 37 who is not a state employee is not entitled to the minimum salary per
 38 diem provided by IC 4-10-11-2.1(b). The member is entitled to
 39 reimbursement for traveling expenses as provided under IC 4-13-1-4
 40 and other expenses actually incurred in connection with the member's
 41 duties as provided in the state policies and procedures established by
 42 the Indiana department of administration and approved by the budget

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1 agency.

2 (h) Each member of the committee appointed under subsection (f)
3 who is a state employee is entitled to reimbursement for traveling
4 expenses as provided under IC 4-13-1-4 and other expenses actually
5 incurred in connection with the member's duties as provided in the state
6 policies and procedures established by the Indiana department of
7 administration and approved by the budget agency.

8 (i) The department shall report to the budget committee in writing
9 the department's estimate of the cost of implementation of the system
10 referred to in subsection (e).

11 SECTION 123. IC 6-1.1-31.7-1 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. As used in this
13 chapter, "appraiser" refers to a professional appraiser or a professional
14 appraisal firm that contracts with a ~~township~~ or county under
15 IC 6-1.1-4.

16 SECTION 124. IC 6-1.1-33.5-2 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. The division of data
18 analysis shall do the following:

19 (1) Compile an electronic data base that includes the following:

20 (A) The local government data base.

21 (B) Information on sales of real and personal property,
22 including nonconfidential information from sales disclosure
23 forms filed under IC 6-1.1-5.5.

24 (C) Personal property assessed values and data entries on
25 personal property return forms.

26 (D) Real property assessed values and data entries on real
27 property assessment records.

28 (E) Information on property tax exemptions, deductions, and
29 credits.

30 (F) Any other data relevant to the accurate determination of
31 real property and personal property tax assessments.

32 (2) Make available to each county ~~and township~~ software that
33 permits the transfer of the data described in subdivision (1) to the
34 division in a uniform format through a secure connection over the
35 Internet.

36 (3) Analyze the data compiled under this section for the purpose
37 of performing the functions under section 3 of this chapter.

38 (4) Conduct continuing studies of personal and real property tax
39 deductions, abatements, and exemptions used throughout Indiana.
40 The division of data analysis shall, before May 1 of each
41 even-numbered year, report on the studies at a meeting of the
42 budget committee and submit a report on the studies to the

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1 legislative services agency for distribution to the members of the
 2 legislative council. The report must be in an electronic format
 3 under IC 5-14-6.

4 SECTION 125. IC 6-1.1-35-1 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The department of
 6 local government finance shall:

- 7 (1) interpret the property tax laws of this state;
- 8 (2) instruct property tax officials about their taxation and
 9 assessment duties and ensure that the county assessors ~~township~~
 10 ~~assessors~~, and assessing officials are in compliance with section
 11 1.1 of this chapter;
- 12 (3) see that all property assessments are made in the manner
 13 provided by law; and
- 14 (4) develop and maintain a manual for all assessing officials and
 15 county assessors concerning:
 - 16 (A) assessment duties and responsibilities of the various state
 17 and local officials;
 - 18 (B) assessment procedures and time limits for the completion
 19 of assessment duties;
 - 20 (C) changes in state assessment laws; and
 - 21 (D) other matters relevant to the assessment duties of
 22 assessing officials, county assessors, and other county
 23 officials.

24 SECTION 126. IC 6-1.1-35-1.1, AS AMENDED BY P.L.88-2005,
 25 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2007]: Sec. 1.1. (a) Each county assessor ~~and each elected~~
 27 ~~township assessor~~ who has not attained the certification of a "level two"
 28 assessor-appraiser under IC 6-1.1-35.5 must employ at least one (1)
 29 certified "level two" assessor-appraiser.

30 (b) Each county assessor ~~and each township assessor~~ must:

- 31 (1) attain the certification of a "level one" assessor-appraiser not
 32 later than one (1) year after taking office; and
- 33 (2) attain the certification of a "level two" assessor-appraiser not
 34 later than two (2) years after taking office.

35 (c) A county assessor ~~or elected township assessor~~ who does not
 36 comply with subsection (b) is subject to forfeiture of the part of the
 37 assessor's annual compensation that relates to real property assessment
 38 duties. The county fiscal body may reduce the appropriations for the
 39 annual compensation of a ~~township assessor~~ ~~or~~ county assessor under
 40 this subsection in an amount that bears the same proportion to the
 41 assessor's annual compensation that the time during the year required
 42 for the performance of the assessor's real property assessment duties

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bears to the time during the year required for the performance of the assessor's overall duties. The assessor's annual compensation is reduced by the amount of the appropriation reduction.

(d) A trustee assessor who does not comply with subsection (b) relinquishes all duties relating to real property assessment to the county assessor until the trustee assessor complies with subsection (b).

(e) Not later than six (6) months after taking office, a trustee assessor must notify the county assessor in writing concerning whether the trustee assessor intends to comply with subsection (b). A trustee assessor who notifies the county assessor that the trustee assessor does not intend to comply with subsection (b) relinquishes all duties relating to real property assessment to the county assessor until the trustee assessor complies with subsection (b).

SECTION 127. IC 6-1.1-35-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) The department of local government finance may require ~~township assessors~~, county assessors, or members of the county property tax assessment board of appeals, county auditors, and their employees to attend instructional sessions held by the department or held by others but approved by the department. An assessing official, or an employee who is required to attend an instructional session or who, at the department's request, meets with the department on official business shall receive:

(1) a lodging allowance for each night preceding session attendance not less than the lodging allowance equal to the lesser of:

(A) the cost of a standard room rate at the hotel where the session is held; or

(B) the actual cost of lodging paid;

(2) a subsistence allowance for meals for each day in attendance not less than the subsistence allowance for meals paid to state employees in travel status, but not more than the maximum subsistence allowance permitted under the regulations of the General Services Administration for federal employees in travel status, as reported in the Federal Register;

(3) a mileage allowance equal to that sum per mile paid to state officers and employees. The rate per mile shall change each time the state government changes its rate per mile; and

(4) an allowance equal to the cost of parking at the convention site.

The amount a county assessor, ~~a township assessor~~, a member of a county property tax assessment board of appeals, or an employee shall receive under subdivision (2) shall be established by the county fiscal

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body.

(b) If a county assessor, ~~a township assessor~~, a member of a county property tax assessment board of appeals, or an employee is entitled to receive an allowance under this section, the department of local government finance shall furnish the appropriate county auditor with a certified statement which indicates the dates of attendance. The official or employee may file a claim for payment with the county auditor. The county treasurer shall pay the warrant from the county general fund from funds not otherwise appropriated.

(c) In the case of one (1) day instructional sessions, a lodging allowance may be paid only to persons who reside more than fifty (50) miles from the session location. Regardless of the duration of the session, and even though more than one (1) person may have been transported, only one (1) mileage allowance may be paid to an official or employee furnishing the conveyance.

SECTION 128. IC 6-1.1-35-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) All information that is related to earnings, income, profits, losses, or expenditures and that is:

(1) given by a person to:

(A) an assessing official;

~~(B) a member of a county property tax assessment board of appeals;~~

~~(C) a county assessor;~~

~~(D) (B) an employee of a person referred to in clauses (A) through (C);~~ **an assessing official;** or

~~(E) (C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor or an elected township assessor under IC 6-1.1-36-12; or~~

(2) acquired by:

(A) an assessing official;

~~(B) a member of a county property tax assessment board of appeals;~~

~~(C) a county assessor;~~

~~(D) (B) an employee of a person referred to in clauses (A) through (C);~~ **an assessing official;** or

~~(E) (C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor or an elected township assessor under IC 6-1.1-36-12;~~

in the performance of the person's duties;

is confidential. The assessed valuation of tangible property is a matter of public record and is thus not confidential. Confidential information

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may be disclosed only in a manner that is authorized under subsection (b), (c), or (d).

(b) Confidential information may be disclosed to:

(1) an official or employee of:

(A) this state or another state;

(B) the United States; or

(C) an agency or subdivision of this state, another state, or the United States;

if the information is required in the performance of the official duties of the official or employee; or

(2) an officer or employee of an entity that contracts with a board of county commissioners ~~or a county assessor or an elected township assessor~~ under IC 6-1.1-36-12 if the information is required in the performance of the official duties of the officer or employee.

(c) The following state agencies, or their authorized representatives, shall have access to the confidential farm property records and schedules that are on file in the office of a county ~~or township~~ assessor:

(1) the Indiana state board of animal health, in order to perform its duties concerning the discovery and eradication of farm animal diseases;

(2) the department of agricultural statistics of Purdue University, in order to perform its duties concerning the compilation and dissemination of agricultural statistics; and

(3) any other state agency that needs the information in order to perform its duties.

(d) Confidential information may be disclosed during the course of a judicial proceeding in which the regularity of an assessment is questioned.

(e) Confidential information that is disclosed to a person under subsection (b) or (c) retains its confidential status. Thus, that person may disclose the information only in a manner that is authorized under subsection (b), (c), or (d).

(f) Notwithstanding any other provision of law:

(1) a person who:

(A) is an officer or employee of an entity that contracts with a board of county commissioners ~~or a county assessor or an elected township assessor~~ under IC 6-1.1-36-12; and

(B) obtains confidential information under this section;

may not disclose that confidential information to any other person; and

(2) a person referred to in subdivision (1) must return all

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confidential information to the taxpayer not later than fourteen
(14) days after the earlier of:

- (A) the completion of the examination of the taxpayer's
personal property return under IC 6-1.1-36-12; or
- (B) the termination of the contract.

SECTION 129. IC 6-1.1-35-11 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) An assessing
official ~~member of a county property tax assessment board of appeals;~~
~~a state board member;~~ or an employee of ~~any~~ **an** assessing official
~~county assessor; or board~~ shall immediately be dismissed from that
position if the person discloses in an unauthorized manner any
information that is classified as confidential under section 9 of this
chapter.

(b) If an officer or employee of an entity that contracts with a board
of county commissioners ~~or a county assessor or an elected township~~
~~assessor~~ under IC 6-1.1-36-12 discloses in an unauthorized manner any
information that is classified as confidential under section 9 of this
chapter:

- (1) the contract between the entity and the board is void as of the
date of the disclosure;
- (2) the entity forfeits all right to payments owed under the
contract after the date of disclosure;
- (3) the entity and its affiliates are barred for three (3) years after
the date of disclosure from entering into a contract with a board
~~or a county assessor or an elected township assessor~~ under
IC 6-1.1-36-12; and
- (4) the taxpayer whose information was disclosed has a right of
action for triple damages against the entity.

SECTION 130. IC 6-1.1-35-13 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) The department
of local government finance may prepare a report, plat, or other
property tax record if an official:

- (1) fails to make a report which is required under the general
assessment provisions of this article; or
- (2) fails to deliver a plat or other property tax record to the
appropriate officer or board.

(b) If the department of local government finance prepares a report,
plat, or property tax record, the department shall certify the expenses
incurred by the department to the ~~township or~~ county which is served
by the official who failed to perform the duty. The ~~township or~~ county
shall pay the amount of the expenses to the treasurer of state within
thirty (30) days after the department's certification. The ~~township or~~

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1 county may collect amounts which it pays under this section from the
2 official who failed to perform the duty.

3 SECTION 131. IC 6-1.1-35.2-2 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) In any year in
5 which an assessing official ~~or a county assessor~~ takes office for the first
6 time, the department of local government finance shall conduct training
7 sessions determined under the rules adopted by the department under
8 IC 4-22-2 for ~~these the~~ new assessing officials. ~~and county assessors.~~
9 ~~These~~ The sessions must be held at the locations described in
10 subsection (b).

11 (b) To ensure that all newly elected or appointed assessing officials
12 ~~and assessors~~ have an opportunity to attend the training sessions
13 required by this section, the department of local government finance
14 shall conduct the training sessions at a minimum of four (4) separate
15 regional locations. The department shall determine the locations of the
16 training sessions, but:

- 17 (1) at least one (1) training session must be held in the
- 18 northeastern part of Indiana;
- 19 (2) at least one (1) training session must be held in the
- 20 northwestern part of Indiana;
- 21 (3) at least one (1) training session must be held in the
- 22 southeastern part of Indiana; and
- 23 (4) at least one (1) training session must be held in the
- 24 southwestern part of Indiana.

25 The four (4) regional training sessions may not be held in Indianapolis.
26 However, the department of local government finance may, after the
27 conclusion of the four (4) training sessions, provide additional training
28 sessions at locations determined by the department.

29 (c) Any new assessing official ~~or county assessor~~ who attends:

- 30 (1) a required session during the official's ~~or assessor's~~ term of
- 31 office; or
- 32 (2) training between the date the person is elected to office and
- 33 January 1 of the year the person takes office for the first time;

34 is entitled to receive the per diem per session set by the department of
35 local government finance by rule adopted under IC 4-22-2 and a
36 mileage allowance from the county in which the official resides.

37 (d) A person is entitled to a mileage allowance under this section
38 only for travel between the person's place of work and the training
39 session nearest to the person's place of work.

40 SECTION 132. IC 6-1.1-35.2-3 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) Each year the
42 department of local government finance shall conduct the continuing

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1 education sessions required in the rules adopted by the department for
 2 all assessing officials ~~county assessors~~; and all ~~members of~~; and
 3 hearing officers for the county property tax assessment board of
 4 appeals. These sessions must be conducted at the locations described
 5 in subsection (b).

6 (b) To ensure that all assessing officials ~~assessors~~; and ~~members of~~
 7 ~~county property tax assessment boards of appeals~~ **and hearing officers**
 8 have an opportunity to attend the continuing education sessions
 9 required by this section, the department of local government finance
 10 shall conduct the continuing education sessions at a minimum of four
 11 (4) separate regional locations. The department shall determine the
 12 locations of the continuing education sessions, but:

13 (1) at least one (1) continuing education session must be held in
 14 the northeastern part of Indiana;

15 (2) at least one (1) continuing education session must be held in
 16 the northwestern part of Indiana;

17 (3) at least one (1) continuing education session must be held in
 18 the southeastern part of Indiana; and

19 (4) at least one (1) continuing education session must be held in
 20 the southwestern part of Indiana.

21 The four (4) regional continuing education sessions may not be held in
 22 Indianapolis. However, the department of local government finance
 23 may, after the conclusion of the four (4) continuing education sessions,
 24 provide additional continuing education sessions at locations
 25 determined by the department.

26 (c) Any assessing official ~~county assessor~~; or ~~member of~~; and
 27 hearing ~~officers~~ **officer** for the county property tax assessment board
 28 of appeals who attends required sessions is entitled to receive a mileage
 29 allowance and the per diem per session set by the department of local
 30 government finance by rule adopted under IC 4-22-2 from the county
 31 in which the official resides. A person is entitled to a mileage
 32 allowance under this section only for travel between the person's place
 33 of work and the training session nearest to the person's place of work.

34 SECTION 133. IC 6-1.1-35.2-5 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. A county that is
 36 required to make a payment to an assessing official ~~a county assessor~~;
 37 or ~~member of~~; and ~~a hearing officers~~ **officer** for the county property tax
 38 assessment board of appeals under this chapter must make the payment
 39 regardless of an appropriation. The payment may be made from the
 40 county's ~~cumulative~~ reassessment fund.

41 SECTION 134. IC 6-1.1-35.5-3 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. The department of

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1 local government finance shall design two (2) assessor-appraiser
 2 examinations, to be called "level one" and "level two". All citizens of
 3 Indiana are eligible to apply for and to be examined under "level one"
 4 and "level two" examinations, subject only to the resources and
 5 limitations of the department of local government finance in
 6 conducting the examinations. Both examinations should cover the
 7 subjects of real estate appraising, accounting, and property tax law.
 8 Successful performance on the level one examination requires the
 9 minimum knowledge needed for effective performance as a county ~~or~~
 10 ~~township~~ assessor under this article. Success on the level two
 11 examination requires substantial knowledge of the subjects covered in
 12 the examination.

13 SECTION 135. IC 6-1.1-35.5-5 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. A county ~~or~~
 15 ~~township~~ assessor, a member or hearing officer of the county property
 16 tax assessment board of appeals, or a member of the public may apply
 17 for and take the level one examination. A person who is successful on
 18 the level one examination may apply for and take the level two
 19 examination.

20 SECTION 136. IC 6-1.1-35.5-7 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) The department
 22 of local government finance shall establish a fair and reasonable fee for
 23 examination and certification under this chapter. However, the fee does
 24 not apply to:

- 25 (1) an ~~elected~~ assessing official;
- 26 (2) a ~~county assessor, a member of, and hearing officers~~ **officer**
 27 for a county property tax assessment board of appeals; or
- 28 (3) an employee of an ~~elected~~ assessing official ~~county assessor,~~
 29 or county property tax assessment board of appeals;

30 who is taking the level one examination or the level two examination
 31 for the first time.

32 (b) The assessing official training account is established as an
 33 account within the state general fund. All fees collected by the
 34 department of local government finance shall be deposited in the
 35 account. The account shall be administered by the department of local
 36 government finance and does not revert to the state general fund at the
 37 end of a fiscal year. The department of local government finance may
 38 use money in the account for testing and training ~~of assessing officials,~~
 39 ~~county assessors, members of a county property tax assessment board~~
 40 ~~of appeals, and employees of assessing officials, county assessors, or~~
 41 ~~the county property tax assessment board of appeals. conducted under~~
 42 **this chapter and IC 6-1.1-35.2.**

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1 SECTION 137. IC 6-1.1-36-3 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) A ~~township~~
 3 ~~assessor's assessment or a~~ county assessor's assessment of property is
 4 valid even if:

5 (1) ~~he the county assessor~~ does not complete, or notify the
 6 county auditor of, the assessment by the time prescribed under
 7 IC 6-1.1-3 or IC 6-1.1-4;

8 (2) there is an irregularity or informality in the manner in which
 9 ~~he the county assessor~~ makes the assessment; or

10 (3) there is an irregularity or informality in the tax list.

11 An irregularity or informality in the assessment or the tax list may be
 12 corrected at any time.

13 (b) This section does not release a ~~township assessor or~~ county
 14 assessor from any duty to give notice or from any penalty imposed on
 15 ~~him the county assessor~~ by law for ~~his the county assessor's~~ failure
 16 to make ~~his the county assessor's~~ return within the time period
 17 prescribed in IC 6-1.1-3 or IC 6-1.1-4.

18 SECTION 138. IC 6-1.1-36-4 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) An assessing
 20 official ~~a county assessor; a member of a county property tax~~
 21 ~~assessment board of appeals;~~ or a representative of the department of
 22 local government finance may file an affidavit with a circuit court of
 23 this state if:

24 (1) the official ~~or board member or a~~ representative ~~of the official~~
 25 ~~or board~~ has requested that a person give information or produce
 26 books or records; and

27 (2) the person has not complied with the request.

28 The affidavit must state that the person has not complied with the
 29 request.

30 (b) When an affidavit is filed under subsection (a), the circuit court
 31 shall issue a writ which directs the person to appear at the office of the
 32 official or ~~board member~~ **representative** and to give the requested
 33 information or produce the requested books or records. The appropriate
 34 county sheriff shall serve the writ. A person who disobeys the writ is
 35 guilty of contempt of court.

36 (c) If a writ is issued under this section, the cost incurred in filing
 37 the affidavit, in the issuance of the writ, and in the service of the writ
 38 shall be charged to the person against whom the writ is issued. If a writ
 39 is not issued, all costs shall be charged to the county in which the
 40 circuit court proceedings are held, and the board of commissioners of
 41 that county shall allow a claim for the costs.

42 SECTION 139. IC 6-1.1-36-5 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. In order to discharge
 2 their official duties, the following officials may administer oaths and
 3 affirmations:

4 ~~(1) Assessing officials:~~

5 ~~(2) (1) County assessors.~~

6 ~~(3) (2) County auditors.~~

7 ~~(4) (3) Members of a county property tax assessment board of~~
 8 ~~appeals.~~

9 ~~(5) (4) Members of the Indiana board.~~

10 SECTION 140. IC 6-1.1-36-7 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) The department
 12 of local government finance may cancel any property taxes assessed
 13 against real property owned by a county, township, city, or town if a
 14 petition requesting that the department cancel the taxes is submitted by
 15 the auditor, assessor, and treasurer of the county in which the real
 16 property is located.

17 (b) The department of local government finance may cancel any
 18 property taxes assessed against real property owned by this state if a
 19 petition requesting that the department cancel the taxes is submitted by:

20 (1) the governor; or

21 (2) the chief administrative officer of the state agency which
 22 supervises the real property.

23 However, if the petition is submitted by the chief administrative officer
 24 of a state agency, the governor must approve the petition.

25 (c) The department of local government finance may compromise
 26 the amount of property taxes, together with any interest or penalties on
 27 those taxes, assessed against the fixed or distributable property owned
 28 by a bankrupt railroad, which is under the jurisdiction of:

29 (1) a federal court under 11 U.S.C. 1163;

30 (2) Chapter X of the Acts of Congress Relating to Bankruptcy (11
 31 U.S.C. 701-799); or

32 (3) a comparable bankruptcy law.

33 (d) After making a compromise under subsection (c) and after
 34 receiving payment of the compromised amount, the department of local
 35 government finance shall distribute to each county treasurer an amount
 36 equal to the product of:

37 (1) the compromised amount; multiplied by

38 (2) a fraction, the numerator of which is the total of the particular
 39 county's property tax levies against the railroad for the
 40 compromised years, and the denominator of which is the total of
 41 all property tax levies against the railroad for the compromised
 42 years.

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(e) After making the distribution under subsection (d), the department of local government finance shall direct the auditors of each county to remove from the tax rolls the amount of all property taxes assessed against the bankrupt railroad for the compromised years.

(f) The county auditor of each county receiving money under subsection (d) shall allocate that money among the county's taxing districts. The auditor shall allocate to each taxing district an amount equal to the product of:

(1) the amount of money received by the county under subsection (d); multiplied by

(2) a fraction, the numerator of which is the total of the taxing district's property tax levies against the railroad for the compromised years, and the denominator of which is the total of all property tax levies against the railroad in that county for the compromised years.

(g) The money allocated to each taxing district shall be apportioned and distributed among the taxing units of that taxing district in the same manner and at the same time that property taxes are apportioned and distributed.

(h) The department of local government finance may, with the approval of the attorney general, compromise the amount of property taxes, together with any interest or penalties on those taxes, assessed against property owned by a person that has a case pending under state or federal bankruptcy law. Property taxes that are compromised under this section shall be distributed and allocated at the same time and in the same manner as regularly collected property taxes. The department of local government finance may compromise property taxes under this subsection only if:

(1) a petition is filed with the department of local government finance that requests the compromise and ~~that~~ is signed and approved by the assessor, auditor, and treasurer of each county ~~and the assessor of each township~~, that is entitled to receive any part of the compromised taxes;

(2) the compromise significantly advances the time of payment of the taxes; and

(3) the compromise is in the best interest of the state and the taxing units that are entitled to receive any part of the compromised taxes.

(i) A taxing unit that receives funds under this section is not required to include the funds in its budget estimate for any budget year which begins after the budget year in which it receives the funds.

(j) A county treasurer, with the consent of the county auditor and the

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1 county assessor, may compromise the amount of property taxes,
 2 interest, or penalties owed in a county by an entity that has a case
 3 pending under Title 11 of the United States Code (Bankruptcy Code)
 4 by accepting a single payment that must be at least seventy-five percent
 5 (75%) of the total amount owed in the county.

6 SECTION 141. IC 6-1.1-36-12 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) A board of
 8 county commissioners ~~or~~ a county assessor ~~or an elected township~~
 9 ~~assessor~~ may enter into a properly approved contract for the discovery
 10 of property that has been undervalued or omitted from assessment. The
 11 contract must prohibit payment to the contractor for discovery of
 12 undervaluation or omission with respect to a parcel or personal
 13 property return before all appeals of the assessment of the parcel or the
 14 assessment under the return have been finalized. The contract may
 15 require the contractor to:

16 (1) examine and verify the accuracy of personal property returns
 17 filed by taxpayers ~~with a township assessor of a township~~ in the
 18 county; and

19 (2) compare a return with the books of the taxpayer and with
 20 personal property owned, held, possessed, controlled, or occupied
 21 by the taxpayer.

22 (b) The investigation and collection expenses of a contract under
 23 subsection (a) may be deducted from the gross amount of taxes
 24 collected on the undervalued or omitted property that is so discovered.
 25 The remainder of the taxes collected on the undervalued or omitted
 26 property shall be distributed to the appropriate taxing units.

27 (c) A board of county commissioners ~~or~~ a county assessor ~~or an~~
 28 ~~elected township assessor~~ may not contract for services under
 29 subsection (a) on a percentage basis.

30 SECTION 142. IC 6-1.1-36-13 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. When a political
 32 subdivision is formed, the auditor of the county in which the political
 33 subdivision is situated shall, at the written request of the legislative
 34 body of the political subdivision, prepare a list of all the lands and lots
 35 within the limits of the political subdivision, and the county auditor
 36 shall deliver the list to the ~~appropriate township county~~ assessor on or
 37 before the assessment date which immediately follows the date of
 38 incorporation. The county auditor shall use the records in the auditor's
 39 office in order to compile the list.

40 SECTION 143. IC 6-1.1-37-2 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. ~~A county or~~
 42 ~~township An assessing official member of a county or state board; or~~

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1 ~~employee or a representative of such an official or board the~~
 2 ~~department of local government finance~~ who:

3 (1) knowingly assesses any property at more or less than what ~~he~~
 4 **the official or representative** believes is the proper assessed
 5 value of the property;

6 (2) knowingly fails to perform any of the duties imposed on ~~him~~
 7 **the official or representative** under the general assessment
 8 provisions of this article; or

9 (3) recklessly violates any of the other general assessment
 10 provisions of this article;

11 commits a Class A misdemeanor.

12 SECTION 144. IC 6-1.1-37-7 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) If a person fails
 14 to file a required personal property return on or before the due date, the
 15 county auditor shall add a penalty of twenty-five dollars (\$25) to the
 16 person's next property tax installment. The county auditor shall also
 17 add an additional penalty to the taxes payable by the person if ~~he the~~
 18 **person** fails to file the personal property return within thirty (30) days
 19 after the due date. The amount of the additional penalty is twenty
 20 percent (20%) of the taxes finally determined to be due with respect to
 21 the personal property which should have been reported on the return.

22 (b) For purposes of this section, a personal property return is not due
 23 until the expiration of any extension period granted by the ~~township~~
 24 **county** assessor under IC 6-1.1-3-7(b).

25 (c) The penalties prescribed under this section do not apply to an
 26 individual or ~~his~~ **the individual's** dependents if ~~he: the individual:~~

27 (1) is in the military or naval forces of the United States on the
 28 assessment date; and

29 (2) is covered by the federal Soldiers' and Sailors' Civil Relief
 30 Act.

31 (d) If a person subject to IC 6-1.1-3-7(d) fails to include on a
 32 personal property return the information, if any, that the department of
 33 local government finance requires under IC 6-1.1-3-9 or IC 6-1.1-5-13,
 34 the county auditor shall add a penalty to the property tax installment
 35 next due for the return. The amount of the penalty is twenty-five dollars
 36 (\$25).

37 (e) If the total assessed value that a person reports on a personal
 38 property return is less than the total assessed value that the person is
 39 required by law to report and if the amount of the undervaluation
 40 exceeds five percent (5%) of the value that should have been reported
 41 on the return, then the county auditor shall add a penalty of twenty
 42 percent (20%) of the additional taxes finally determined to be due as

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a result of the undervaluation. The penalty shall be added to the property tax installment next due for the return on which the property was undervalued. If a person has complied with all of the requirements for claiming a deduction, an exemption, or an adjustment for abnormal obsolescence, then the increase in assessed value that results from a denial of the deduction, exemption, or adjustment for abnormal obsolescence is not considered to result from an undervaluation for purposes of this subsection.

(f) A penalty is due with an installment under subsection (a), (d), or (e) whether or not an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment.

SECTION 145. IC 6-1.1-37-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7.5. A person who fails to provide, within forty-five (45) days after the filing deadline, evidence of the filing of a personal property return to the **county** assessor, ~~of the township in which the owner resides~~, as required under IC 6-1.1-3-1(d), shall pay to the ~~township in which the owner resides~~, **county** a penalty equal to ten percent (10%) of the tax liability.

SECTION 146. IC 6-1.1-37-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. A ~~township~~ **county** assessor shall inform the county auditor of any vending machine which does not, as required under ~~IC 6-1.1-3-8~~, have an identification device on its face. The county auditor shall then add a one dollar (**\$1**) penalty to the next property tax installment of the person on whose premises the machine is located.

SECTION 147. IC 6-1.1-42-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 27. (a) A property owner who desires to obtain the deduction provided by section 24 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the ~~township~~ **county** assessor.

(c) The certified deduction application required by this section must contain the following information:

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- (1) The name of each owner of the property.
- (2) A certificate of completion of a voluntary remediation under IC 13-25-5-16.
- (3) Proof that each owner who is applying for the deduction:
 - (A) has never had an ownership interest in an entity that contributed; and
 - (B) has not contributed;
 a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.
- (4) Proof that the deduction was approved by the appropriate designating body.
- (5) A description of the property for which a deduction is claimed in sufficient detail to afford identification.
- (6) The assessed value of the improvements before remediation and redevelopment.
- (7) The increase in the assessed value of improvements resulting from remediation and redevelopment.
- (8) The amount of the deduction claimed for the first year of the deduction.
- (d) A certified deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of property is made and each subsequent year to which the deduction applies under the resolution adopted under section 24 of this chapter.
- (e) A property owner who desires to obtain the deduction provided by section 24 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which is applicable for the year filed and the subsequent years without any additional certified deduction application being filed for the amounts of the deduction which would be applicable to such years under this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).
- (f) On verification of the correctness of a certified deduction application by the **county** assessor, ~~of the township in which the property is located~~, the county auditor shall, if the property is covered by a resolution adopted under section 24 of this chapter, make the appropriate deduction.
- (g) The amount and period of the deduction provided for property by section 24 of this chapter are not affected by a change in the

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ownership of the property if the new owner of the property:

(1) is a person that:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management;

(2) continues to use the property in compliance with any standards established under sections 7 and 23 of this chapter; and

(3) files an application in the manner provided by subsection (e).

(h) The ~~township~~ **county** assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

SECTION 148. IC 6-1.1-45.5-3, AS ADDED BY P.L.208-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. On receipt of a petition under section 2 of this chapter, the county auditor shall determine whether the petition is complete. If the petition is not complete, the county auditor shall return the petition to the petitioner and describe the defects in the petition. The petitioner may correct the defects and file the completed petition with the county auditor. On receipt of a complete petition, the county auditor shall forward a copy of the complete petition to:

(1) the **county** assessor; ~~of the township in which the brownfield is located;~~

(2) the owner, if different from the petitioner;

(3) all persons that have, as of the date of the filing of the petition, a substantial property interest of public record in the brownfield;

(4) the board;

(5) the fiscal body;

(6) the department of environmental management; and

(7) the department.

SECTION 149. IC 6-1.1-45.5-4, AS ADDED BY P.L.208-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. On receipt of a complete petition as provided under sections 2 and 3 of this chapter, the board shall at its earliest opportunity conduct a public hearing on the petition. The board shall give notice of the date, time, and place fixed for the hearing:

(1) by mail to:

(A) the petitioner;

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(B) the owner, if different from the petitioner;

(C) all persons that have, as of the date the petition was filed, a substantial interest of public record in the brownfield; and

(D) the **county** assessor; ~~of the township in which the brownfield is located;~~ and

(2) under IC 5-3-1.

SECTION 150. IC 6-1.1-45.5-8, AS ADDED BY P.L.208-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) The department shall give notice of its determination under section 7 of this chapter and the right to seek an appeal of the determination by mail to:

(1) the petitioner;

(2) the owner, if different from the petitioner;

(3) all persons that have, as of the date the petition was filed under section 2 of this chapter, a substantial property interest of public record in the brownfield;

(4) the **county** assessor; ~~of the township in which the brownfield is located;~~

(5) the board;

(6) the fiscal body; and

(7) the county auditor.

(b) A person aggrieved by a determination of the department under section 7 of this chapter may obtain an additional review by the department and a public hearing by filing a petition for review with the county auditor of the county in which the brownfield is located not more than thirty (30) days after the department gives notice of the determination under subsection (a). The county auditor shall transmit the petition to the department not more than ten (10) days after the petition is filed.

(c) On receipt by the department of a petition for review, the department shall set a date, time, and place for a hearing. At least ten (10) days before the date fixed for the hearing, the department shall give notice by mail of the date, time, and place fixed for the hearing to:

(1) the person that filed the appeal;

(2) the petitioner;

(3) the owner, if different from the petitioner;

(4) all persons that have, as of the date the petition is filed, a substantial interest of public record in the brownfield;

(5) the **county** assessor; ~~of the township in which the brownfield is located;~~

(6) the board;

(7) the fiscal body; and

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1 (8) the county auditor.

2 (d) After the hearing, the department shall give the parties listed in
3 subsection (c) notice by mail of the final determination of the
4 department. The department's final determination under this subsection
5 is subject to the limitations in subsections (f)(2) and (g).

6 (e) The petitioner under section 2 of this chapter shall provide to the
7 county auditor reasonable proof of ownership of the brownfield:

8 (1) if a petition is not filed under subsection (b), at least thirty
9 (30) days but not more than one hundred twenty (120) days after
10 notice is given under subsection (a); or

11 (2) after notice is given under subsection (d) but not more than
12 ninety (90) days after notice is given under subsection (d).

13 (f) The county auditor:

14 (1) shall, subject to subsection (g), reduce or remove the
15 delinquent tax liability on the tax duplicate in the amount stated
16 in:

17 (A) if a petition is not filed under subsection (b), the
18 determination of the department under section 7 of this
19 chapter; or

20 (B) the final determination of the department under this
21 section;

22 not more than thirty (30) days after receipt of the proof of
23 ownership required in subsection (e); and

24 (2) may not reduce or remove any delinquent tax liability on the
25 tax duplicate if the petitioner under section 2 of this chapter fails
26 to provide proof of ownership as required in subsection (e).

27 (g) A reduction or removal of delinquent tax liability under
28 subsection (f) applies until the county auditor makes a determination
29 under this subsection. After the date referred to in section 2(6) of this
30 chapter, the county auditor shall determine if the petitioner successfully
31 completed the plan described in section 2(5) of this chapter by that
32 date. If the county auditor determines that the petitioner completed the
33 plan by that date, the reduction or removal of delinquent tax liability
34 under subsection (f) becomes permanent. If the county auditor
35 determines that the petitioner did not complete the plan by that date,
36 the county auditor shall restore to the tax duplicate the delinquent taxes
37 reduced or removed under subsection (f), along with interest in the
38 amount that would have applied if the delinquent taxes had not been
39 reduced or removed.

40 SECTION 151. IC 6-1.5-5-2, AS AMENDED BY P.L.199-2005,
41 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2007]: Sec. 2. (a) After receiving a petition for review that is

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1 filed under a statute listed in section 1(a) of this chapter, the Indiana
2 board shall, at its earliest opportunity:

- 3 (1) conduct a hearing; or
4 (2) cause a hearing to be conducted by an administrative law
5 judge.

6 The Indiana board may determine to conduct the hearing under
7 subdivision (1) on its own motion or on request of a party to the appeal.

8 (b) In its resolution of a petition, the Indiana board may:

9 (1) assign:

10 (A) full;

11 (B) limited; or

12 (C) no;

13 evidentiary value to the assessed valuation of tangible property
14 determined by stipulation submitted as evidence of a comparable
15 sale; and

16 (2) correct any errors that may have been made, and adjust the
17 assessment in accordance with the correction.

18 (c) The Indiana board shall give notice of the date fixed for the
19 hearing by mail to:

20 (1) the taxpayer;

21 (2) the department of local government finance; and

22 (3) the appropriate:

23 ~~(A) township assessor;~~

24 ~~(B)~~ (A) county assessor; and

25 ~~(C)~~ (B) county auditor.

26 (d) With respect to an appeal of the assessment of real property or
27 personal property filed after June 30, 2005, the notices required under
28 subsection (c) must include the following:

29 (1) The action of the department of local government finance with
30 respect to the appealed items.

31 (2) A statement that a taxing unit receiving the notice from the
32 county auditor under subsection (e) may:

33 (A) attend the hearing;

34 (B) offer testimony; and

35 (C) file an amicus curiae brief in the proceeding.

36 A taxing unit that receives a notice from the county auditor under
37 subsection (e) is not a party to the appeal.

38 (e) If, after receiving notice of a hearing under subsection (c), the
39 county auditor determines that the assessed value of the appealed items
40 constitutes at least one percent (1%) of the total gross certified assessed
41 value of a particular taxing unit for the assessment date immediately
42 preceding the assessment date for which the appeal was filed, the

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1 county auditor shall send a copy of the notice to the affected taxing
 2 unit. Failure of the county auditor to send a copy of the notice to the
 3 affected taxing unit does not affect the validity of the appeal or delay
 4 the appeal.

5 (f) The Indiana board shall give the notices required under
 6 subsection (c) at least thirty (30) days before the day fixed for the
 7 hearing.

8 SECTION 152. IC 6-1.5-5-5, AS AMENDED BY P.L.199-2005,
 9 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2007]: Sec. 5. After the hearing, the Indiana board shall give
 11 the petitioner, ~~the township assessor~~, the county assessor, the county
 12 auditor, the affected taxing units required to be notified under section
 13 2(e) of this chapter, and the department of local government finance:

14 (1) notice, by mail, of its final determination, findings of fact, and
 15 conclusions of law; and

16 (2) notice of the procedures the petitioner or the department of
 17 local government finance must follow in order to obtain court
 18 review of the final determination of the Indiana board.

19 SECTION 153. IC 6-2.5-8-1 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) A retail merchant
 21 may not make a retail transaction in Indiana, unless ~~he~~ **the retail**
 22 **merchant** has applied for a registered retail merchant's certificate.

23 (b) A retail merchant may obtain a registered retail merchant's
 24 certificate by filing an application with the department and paying a
 25 registration fee of twenty-five dollars (\$25) for each place of business
 26 listed on the application. The retail merchant shall also provide such
 27 security for payment of the tax as the department may require under
 28 IC 6-2.5-6-12.

29 (c) The retail merchant shall list on the application the location
 30 (including the township) of each place of business where ~~he~~ **the retail**
 31 **merchant** makes retail transactions. However, if the retail merchant
 32 does not have a fixed place of business, ~~he~~ **the retail merchant** shall
 33 list ~~his~~ **the retail merchant's** residence as ~~his~~ **the retail merchant's**
 34 place of business. In addition, a public utility may list only its principal
 35 Indiana office as its place of business for sales of public utility
 36 commodities or service, but the utility must also list on the application
 37 the places of business where it makes retail transactions other than
 38 sales of public utility commodities or service.

39 (d) Upon receiving a proper application, the correct fee, and the
 40 security for payment, if required, the department shall issue to the retail
 41 merchant a separate registered retail merchant's certificate for each
 42 place of business listed on the application. Each certificate shall bear

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1 a serial number and the location of the place of business for which it is
2 issued.

3 (e) If a retail merchant intends to make retail transactions during a
4 calendar year at a new Indiana place of business, ~~he the retail~~
5 **merchant** must file a supplemental application and pay the fee for that
6 place of business.

7 (f) A retail merchant engaged in business in Indiana as defined in
8 IC 6-2.5-3-1(c) who makes retail transactions that are only subject to
9 the use tax must obtain a registered retail merchant's certificate before
10 making those transactions. The retail merchant may obtain the
11 certificate by following the same procedure as a retail merchant under
12 subsections (b) and (c), except that the retail merchant must also
13 include on the application:

- 14 (1) the names and addresses of the retail merchant's principal
- 15 employees, agents, or representatives who engage in Indiana in
- 16 the solicitation or negotiation of the retail transactions;
- 17 (2) the location of all of the retail merchant's places of business in
- 18 Indiana, including offices and distribution houses; and
- 19 (3) any other information that the department requests.

20 (g) The department may permit an out-of-state retail merchant to
21 collect the use tax. However, before the out-of-state retail merchant
22 may collect the tax, ~~he the out-of-state retail merchant~~ must obtain
23 a registered retail merchant's certificate in the manner provided by this
24 section. Upon receiving the certificate, the out-of-state retail merchant
25 becomes subject to the same conditions and duties as an Indiana retail
26 merchant and must then collect the use tax due on all sales of tangible
27 personal property that ~~he the out-of-state retail merchant~~ knows is
28 intended for use in Indiana.

29 (h) The department shall submit to the ~~township~~ **county** assessor
30 before July 15 of each year:

- 31 (1) the name of each retail merchant that has newly obtained a
- 32 registered retail merchant's certificate between March 2 of the
- 33 preceding year and March 1 of the current year for a place of
- 34 business located in the ~~township;~~ **county;** and
- 35 (2) the address of each place of business of the taxpayer in the
- 36 ~~township;~~ **county.**

37 SECTION 154. IC 6-6-5.5-18 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (a) A taxpayer who
39 owns, holds, possesses, or controls a commercial vehicle that:

- 40 (1) is subject to the commercial vehicle excise tax imposed under
- 41 this chapter; and
- 42 (2) would have been subject to assessment as personal property

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on March 1, 2000, under the law in effect before January 1, 2000; shall file an information return on or before May 15, 2000, with the assessor of each **township county** in which the taxpayer's commercial vehicles would have been subject to assessment and taxation under IC 6-1.1.

(b) The information return shall be filed on a form prescribed by the department of local government finance and shall require the taxpayer to provide information regarding the value, nature, and location of each commercial vehicle which the taxpayer owns, holds, possesses, or controls on March 1, 2000. If a commercial vehicle is used or operated in interstate commerce, the value reported on the information return shall be determined under the procedure set forth in 50 IAC 4.2-10-3.

(c) The information return shall be furnished to the taxpayer by the appropriate **township county** assessor in the same manner and at the same time as the taxpayer's personal property tax return.

(d) In completing an information return under this section, a taxpayer shall make a complete disclosure of all information, required by the department of local government finance, that is related to the value, nature, or location of commercial vehicles that the taxpayer owns, holds, possesses or controls on March 1, 2000. The taxpayer shall certify to the truth of all information appearing in the information return and all data accompanying the information return.

(e) The **township county** assessor shall examine and verify the accuracy of each information return filed by a taxpayer. If appropriate, the assessor shall compare an information return with the books of the taxpayer and with commercial vehicles owned, held, possessed, or controlled by the taxpayer.

SECTION 155. IC 6-6-5.5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 19. (a) As used in this section, "assessed value" means an amount equal to the true tax value of commercial vehicles that:

(1) are subject to the commercial vehicle excise tax under this chapter; and

(2) would have been subject to assessment as personal property on March 1, 2000, under the law in effect before January 1, 2000.

(b) For calendar year 2001, a taxing unit's base revenue shall be determined as provided in subsection (f). For calendar years that begin after December 31, 2001, a taxing unit's base revenue shall be determined by multiplying the previous year's base revenue by one hundred five percent (105%).

(c) The amount of commercial vehicle excise tax distributed to the taxing units of Indiana from the commercial vehicle excise tax fund

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shall be determined in the manner provided in this section. ~~On or before June 1, 2000, each township assessor of a county shall deliver to the county assessor a list that states by taxing district the total assessed value as shown on the information returns filed with the assessor on or before May 15, 2000.~~

(d) On or before July 1, 2000, each county assessor shall certify to the county auditor the assessed value of commercial vehicles in every taxing district.

(e) On or before August 1, 2000, the county auditor shall certify the following to the department of local government finance:

(1) The total assessed value of commercial vehicles in the county.

(2) The total assessed value of commercial vehicles in each taxing district of the county.

(f) The department of local government finance shall determine each taxing unit's base revenue by applying the current tax rate for each taxing district to the certified assessed value from each taxing district. The department of local government finance shall also determine the following:

(1) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in Indiana.

(2) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in each county.

(3) Each county's total distribution percentage. A county's total distribution percentage shall be determined by dividing the total amount of base revenue to be distributed in 2001 to all taxing units in the county by the total base revenue to be distributed statewide.

(4) Each taxing unit's distribution percentage. A taxing unit's distribution percentage shall be determined by dividing each taxing unit's base revenue by the total amount of base revenue to be distributed in 2001 to all taxing units in the county.

(g) The department of local government finance shall certify each taxing unit's base revenue and distribution percentage for calendar year 2001 to the auditor of state on or before September 1, 2000.

(h) The auditor of state shall keep permanent records of each taxing unit's base revenue and distribution percentage for calendar year 2001 for purposes of determining the amount of money each taxing unit in Indiana is entitled to receive in calendar years that begin after December 31, 2001.

SECTION 156. IC 6-7-1-30.1 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 30.1. (a) Two-thirds (2/3) of the money in the cigarette tax fund is annually appropriated to the cities and towns of this state and to certain local governmental entities.

(b) The amount which is allocated to each city or town under this section equals the product of:

(1) the total amount appropriated under subsection (a); multiplied by

(2) a fraction, the numerator of which is the population of the city or town, and the denominator of which is the total population of all the cities and towns of Indiana.

(c) The auditor of state shall calculate and distribute the amount allocated to each city or town under this section on or before June 1 and December 1 of each year. To make these semiannual distributions, the auditor of state shall issue warrants drawn on the cigarette tax fund to the officials designated in subsection (d) or (e).

(d) For a consolidated city, or a city or town which is located in the same county as the consolidated city, the auditor of state shall issue a warrant for:

(1) three-fourteenths (3/14) of the money allocated to the city or town under subsection (b) to the fiscal officer of the city or town; and

(2) the remaining eleven-fourteenths (11/14) of the money to the treasurer of that county.

The fiscal officer of the city or town shall deposit the money distributed to him under this subsection in the city's or town's general fund. The county treasurer shall annually deposit three hundred fifty thousand dollars (\$350,000) which he receives under this subsection in the capital improvement bond fund of the county. The remainder of the money which the county treasurer receives under this subsection is appropriated to the department of transportation of the consolidated city. The county treasurer shall serve as custodian of the money so appropriated to the department.

(e) For a city or town which is not located in the same county as a consolidated city, the auditor of state shall issue a warrant for the total amount allocated to the city or town under subsection (b) to the fiscal officer of the city or town. The fiscal officer body of the city or town shall ~~deposit three-fourteenths (3/14) of the money annually~~ **determine, by ordinance or resolution, the part of the allocated amount to be deposited** in the city's or town's:

(1) general fund; and ~~he shall deposit the remaining~~ **eleven-fourteenths (11/14) of the money in the city's or town's**

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(2) cumulative capital improvement fund.

SECTION 157. IC 6-8.1-1-1, AS AMENDED BY P.L.214-2005, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 1, 2006]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the river boat admissions tax (IC 4-33-12); the river boat wagering tax (IC 4-33-13); the gross income tax (IC 6-2.1) (repealed); the utility receipts tax (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the municipal option income tax (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9 and **IC 6-10-5**); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); **a local sales tax (IC 6-10-3); a local food and beverage tax (IC 6-10-4); a supplemental local income tax (IC 6-10-6)**; the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer.

SECTION 158. IC 6-8.1-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information

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disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to:

- (1) members and employees of the department;
- (2) the governor;
- (3) the attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes; or
- (4) any authorized officers of the United States;

when it is agreed that the information is to be confidential and to be used solely for official purposes.

(b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:

- (1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and
- (2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.

(c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family and children, and to any county director of family and children located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding provisions of the state and federal Title IV-D programs.

(d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to an institution of higher education may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved institutions of higher learning (as defined by IC 20-12-21-3(2)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.

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(e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor, and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.

(f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:

(1) the state agency shows an official need for the information; and

(2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.

(g) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(h) may be released solely for tax collection purposes to ~~township~~ **county** assessors.

(h) The department shall notify the appropriate innkeepers' tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.

(i) All information relating to the delinquency or evasion of the motor vehicle excise tax may be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.

(j) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(l) This section does not apply to:

- (1) the beer excise tax (IC 7.1-4-2);
- (2) the liquor excise tax (IC 7.1-4-3);
- (3) the wine excise tax (IC 7.1-4-4);
- (4) the hard cider excise tax (IC 7.1-4-4.5);

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- (5) the malt excise tax (IC 7.1-4-5);
- (6) the motor vehicle excise tax (IC 6-6-5);
- (7) the commercial vehicle excise tax (IC 6-6-5.5); and
- (8) the fees under IC 13-23.

(m) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under ~~IC 6-2.5-6-14.~~ **IC 6-2.5-6-14.2.**

SECTION 159. IC 6-10 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE MAY 1, 2006]:

ARTICLE 10. SUPPLEMENTAL LOCAL TAXES

Chapter 1. General Policy; Purpose; Applicability

Sec. 1. This article applies to all counties.

Sec. 2. Taxes imposed under this article are in addition to any other taxes imposed by law.

Chapter 2. Definitions

Sec. 1. Except as otherwise provided in this article, the definitions in IC 36-1-2 and this chapter apply throughout this article.

Sec. 2. "Adjusted gross income", for the purposes of determining the adjusted gross income of:

- (1) a resident income taxpayer, means adjusted gross income (as defined in IC 6-3-1-3.5(a)), regardless of where the adjusted gross income is earned; and
- (2) a nonresident income taxpayer, includes only the individual's adjusted gross income (as defined in IC 6-3-1-3.5(a)) derived from the nonresident income taxpayer's principal place of business or employment.

Sec. 3. "Adopt" includes amend and repeal.

Sec. 4. "Adopting entity" means a county fiscal body.

Sec. 5. "Bonds" has the meaning set forth in IC 5-1-11-1.

Sec. 6. "Civil taxing unit" means any entity, except a school corporation, that has the power to impose ad valorem property taxes. The term does not include a solid waste management district that is not entitled to a distribution under IC 6-10-11-11. However, in the case of a county in which a consolidated city is located, the consolidated city, the county, all special taxing districts, all special service districts, all included towns (as defined in IC 36-3-1-7), and all other political subdivisions except townships, excluded cities (as defined in IC 36-3-1-7), and school corporations shall be treated as

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comprising one (1) civil taxing unit whose fiscal body is the fiscal body of the consolidated city.

Sec. 7. "Certified distribution" refers to the amount of supplemental local income tax certified as a county's certified distribution for the ensuing year under IC 6-10-10-5.

Sec. 8. "Department" means the department of state revenue.

Sec. 9. "Fund" refers to a supplemental tax revenues fund established under IC 6-10-11-1.

Sec. 10. "Governing body" has the meaning set forth in IC 6-1.1-21.2-6.

Sec. 11. "Income tax determination date" means January 1 of the calendar year in which the individual's taxable year commences.

Sec. 12. "Local income taxpayer" means the following:

- (1) A resident income taxpayer.
- (2) A nonresident income tax payer.

Sec. 13. "Miscellaneous revenue shares" means money deposited in the miscellaneous revenue shares account.

Sec. 14. "Miscellaneous revenue shares account" refers to a certified shares account in a fund.

Sec. 15. "Nonresident income taxpayer" means an individual who:

- (1) maintains a principal place of business or employment in a county in Indiana on the income tax determination date for the individual's taxable year; and
- (2) is not a resident income taxpayer of any county in Indiana that has a supplemental local income tax under IC 6-10-6 in effect on the income tax determination date for the individual's taxable year.

Sec. 16. "Property tax replacement account" refers to a property tax replacement account established in a fund.

Sec. 17. "Resident income taxpayer" means an individual who resides, as determined under IC 6-10-6-3, in a county in Indiana on the income tax determination date for the individual's taxable year.

Sec. 18. "Solid waste management district" refers to a county solid waste management district (as defined in IC 13-11-2-47) or a joint solid waste management district (as defined in IC 13-11-2-113).

Sec. 19. "Supplemental tax revenues" refers to the revenues from any of the following:

- (1) A local sales tax adopted under IC 6-10-3.
- (2) A local food and beverage tax adopted under IC 6-10-4.

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1 (3) A local innkeeper's tax adopted under IC 6-10-5.

2 (4) A supplemental local income tax adopted under IC 6-10-6.

3 Sec. 20. "Tax increment revenues" has the meaning set forth in
4 IC 6-1.1-21.2-10.

5 Sec. 21. "Taxing unit" has the meaning set forth in
6 IC 6-1.1-1-21.

7 Chapter 3. Local Sales Taxes

8 Sec. 1. (a) The adopting entity of a county may adopt an
9 ordinance to impose an excise tax known as the county's local sales
10 tax on transactions described in section 2 of this chapter in the
11 county.

12 (b) The adopting entity that adopts the ordinance shall provide
13 a certified copy of the ordinance to the following:

14 (1) The department.

15 (2) The department of local government finance.

16 (3) The budget agency.

17 (c) The ordinance takes effect on the first day of the month
18 specified in the ordinance. However, the effective date may not be
19 earlier than the first day of the month that follows, by at least
20 forty-five (45) days, the month the ordinance is adopted.

21 Sec. 2. A local sales tax imposed under this chapter applies to
22 any transaction on which the state gross retail tax is imposed under
23 IC 6-2.5 and that occurs in the county imposing the tax.

24 Sec. 3. The local sales tax rate adopted in a county may be
25 one-tenth of one percent (0.1%).

26 Sec. 4. (a) If a taxing unit has outstanding bonds, leases,
27 obligations, or other evidences of indebtedness, that are payable
28 from a local sales tax imposed under this chapter, the tax may not
29 be repealed or decreased below a rate that would produce one and
30 twenty-five hundredths (1.25) times the total of the highest annual
31 payment requirements due from the local sales tax on those bonds,
32 leases, obligations, or other evidences of indebtedness, to their final
33 maturity.

34 (b) For purposes of subsection (a), the determination of a tax
35 rate sufficient to produce one and twenty-five hundredths (1.25)
36 times the total of the highest annual payment requirements shall be
37 based on an average of the immediately preceding three (3) years
38 collections for the local sales tax, if the tax has been imposed for
39 the immediately preceding three (3) years. If the local sales tax has
40 not been imposed for the immediately preceding three (3) years,
41 the tax may not be reduced below a rate that would produce one
42 and twenty-five hundredths (1.25) times the total of the highest

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1 annual payment requirements due from local sales tax on those
2 bonds, leases, obligations, or other evidences of indebtedness, based
3 on a study by a qualified accountant or financial adviser.

4 (c) If no bonds, leases, obligations, or other evidences of
5 indebtedness of a taxing unit are outstanding that are payable from
6 a local sales tax imposed under this chapter, the tax may be
7 repealed or the rate reduced at the discretion of the adopting
8 entity.

9 Sec. 5. Revenue from a local sales tax under this chapter shall be
10 collected, deposited, and used as provided in IC 6-10-11.

11 Chapter 4. Local Food and Beverage Tax

12 Sec. 1. (a) The adopting entity of a county may adopt an
13 ordinance to impose an excise tax known as the county's local food
14 and beverage tax on transactions described in section 2 of this
15 chapter in the county.

16 (b) The adopting entity that adopts the ordinance shall provide
17 a certified copy of the ordinance to the following:

- 18 (1) The department.
- 19 (2) The department of local government finance.
- 20 (3) The budget agency.

21 (c) The ordinance takes effect on the first day of the month
22 specified in the ordinance. However, the effective date may not be
23 earlier than the first day of the month that follows, by at least
24 forty-five (45) days, the month the ordinance is adopted.

25 Sec. 2. (a) Except as provided in subsection (c), a local food and
26 beverage tax imposed under this chapter applies to any transaction
27 in which food or a beverage is furnished, prepared, or served:

- 28 (1) for consumption at a location, or on equipment, provided
29 by a retail merchant;
- 30 (2) in the county in which the tax is imposed; and
- 31 (3) by the retail merchant for consideration.

32 (b) Transactions described in subsection (a)(1) include
33 transactions in which food or a beverage is:

- 34 (1) served by a retail merchant off the merchant's premises;
- 35 (2) sold by a retail merchant who ordinarily bags, wraps, or
36 packages the food or beverage for immediate consumption on
37 or near the retail merchant's premises, including food or
38 beverages sold on a "take out" or "to go" basis; or
- 39 (3) sold by a street vendor.

40 (c) A local food and beverage tax imposed under this chapter
41 does not apply to the furnishing, preparing, or serving of any food
42 or beverage in a transaction that is exempt, or to the extent the

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transaction is exempt, from the state gross retail tax imposed under IC 6-2.5.

Sec. 3. A local food and beverage tax imposed under this chapter is imposed on the gross retail income received by the retail merchant from the transaction at a rate specified by the adopting entity in an ordinance. The local food and beverage tax rate adopted in a county may be one-tenth of one percent (0.1%).

Sec. 4. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include:

- (1) the amount of tax imposed on the transaction under IC 6-2.5;
- (2) the amount of tax imposed under IC 6-9, if any; or
- (3) the amount of tax imposed under IC 6-10-3, if any.

Sec. 5. (a) If a taxing unit has outstanding bonds, leases, obligations, or other evidences of indebtedness, that are payable from a local food and beverage tax imposed under this chapter, the tax may not be decreased below a rate that would produce one and twenty-five hundredths (1.25) times the total of the highest annual payment requirements from food and beverage tax due on those bonds, leases, obligations, or other evidences of indebtedness, to their final maturity.

(b) For purposes of subsection (a), the determination of a tax rate sufficient to produce one and twenty-five hundredths (1.25) times the total of the highest annual payment requirements shall be based on an average of the immediately preceding three (3) years collections for the local food and beverage tax, if the local food and beverage tax has been imposed for the immediately preceding three (3) years. If the local food and beverage tax has not been imposed for the immediately preceding three (3) years, the tax may not be reduced below a rate that would produce one and twenty-five hundredths (1.25) times the total of the highest annual payment requirements due from food and beverage tax on those bonds, leases, obligations, or other evidences of indebtedness, based on a study by a qualified accountant or financial advisor.

(c) If no bonds, leases, obligations, or other evidences of indebtedness of a taxing unit are outstanding that are payable from a local food and beverage tax imposed under this chapter, the adopting entity that imposed the local food and beverage tax may adopt an ordinance to repeal, or decrease the rate of, the local food and beverage tax under this chapter.

Sec. 6. Revenue from a local food and beverage tax under this

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chapter shall be collected, deposited, and used as provided in IC 6-10-11.

Chapter 5. Local Innkeeper's Taxes

Sec. 1. (a) The adopting entity of a county may adopt an ordinance to impose an excise tax known as the county's local innkeeper's tax on transactions described in section 2 of this chapter in the county.

(b) The adopting entity that adopts the ordinance shall provide a certified copy of the ordinance to the following:

- (1)** The department.
- (2)** The department of local government finance.
- (3)** The budget agency.

(c) The ordinance takes effect on the first day of the month specified in the ordinance. However, the effective date may not be earlier than the first day of the month that follows, by at least forty-five (45) days, the month the ordinance is adopted.

Sec. 2. (a) A local innkeeper's tax imposed under this chapter is levied on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

- (1)** hotel;
- (2)** motel;
- (3)** boat motel;
- (4)** inn;
- (5)** college or university memorial union;
- (6)** college or university residence hall or dormitory; or
- (7)** tourist cabin;

located in the county.

(b) The tax does not apply to gross income received in a transaction in which:

- (1)** a student rents lodgings in a college or university residence while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or
- (2)** a person rents a room, lodgings, or accommodations for a period of thirty (30) days or more.

Sec. 3. The local innkeeper's tax rate adopted in a county may be one-tenth of one percent (0.1%). The local innkeeper's tax rate is in addition to:

- (1)** the state gross retail tax imposed under IC 6-2.5;
- (2)** a local sales tax imposed under IC 6-10-3, if any; or
- (3)** an innkeeper's tax imposed under IC 6-9, if any.

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1 Sec. 4. (a) If a taxing unit has outstanding bonds, leases,
2 obligations, or other evidences of indebtedness, that are payable
3 from a local innkeeper's tax imposed under this chapter, the tax
4 may not be decreased below a rate that would produce one and
5 twenty-five hundredths (1.25) times the total of the highest annual
6 payment requirements due from local innkeeper's tax on those
7 bonds, leases, obligations, or other evidences of indebtedness, to
8 their final maturity.

9 (b) For purposes of subsection (a), the determination of a tax
10 rate sufficient to produce one and twenty-five hundredths (1.25)
11 times the total of the highest annual payment requirements shall be
12 based on an average of the immediately preceding three (3) years
13 collections for the local innkeeper's tax, if the local innkeeper's tax
14 has been imposed for the immediately preceding three (3) years. If
15 the local innkeeper's tax has not been imposed for the immediately
16 preceding three (3) years, the tax may not be reduced below a rate
17 that would produce one and twenty-five hundredths (1.25) times
18 the total of the highest annual payment requirements due from
19 local innkeeper's tax on those bonds, leases, obligations, or other
20 evidences of indebtedness, based on a study by a qualified
21 accountant or financial advisor.

22 (c) If no bonds, leases, obligations, or other evidences of
23 indebtedness of a taxing unit are outstanding that are payable from
24 a local innkeeper's tax imposed under this chapter, the adopting
25 entity that imposed the local innkeeper's tax may adopt an
26 ordinance to repeal, or decrease the rate of, the local innkeeper's
27 tax under this chapter.

28 Sec. 5. Revenue from a local innkeeper's tax under this chapter
29 shall be collected, deposited, and used as provided in IC 6-10-11.

30 Chapter 6. Supplemental Local Income Tax

31 Sec. 1. (a) Except as provided by this chapter, the adopting
32 entity of a county may adopt an ordinance to impose a
33 supplemental local income tax on the adjusted gross income of
34 local income taxpayers in the county.

35 (b) The adopting entity that adopts the ordinance shall provide
36 a certified copy of the ordinance to the following:

- 37 (1) The department.
- 38 (2) The department of local government finance.
- 39 (3) The budget agency.

40 (c) If an ordinance imposing a supplemental local income tax
41 under this chapter is adopted before May 1 of a year, the ordinance
42 takes effect on July 1 of that year. If an ordinance imposing a

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1 supplemental local income tax under this chapter is adopted after
2 April 30 of a year, the ordinance takes effect January 1 of the year
3 following the year in which the ordinance is adopted.

4 **Sec. 2. (a)** An adopting entity may impose the supplemental local
5 income tax under this chapter on the resident income taxpayers in
6 the county at the rate of one tenth of one percent (0.1%).

7 **(b)** An adopting body that imposes a supplemental local income
8 tax on the resident income taxpayers in the county must impose a
9 supplemental local income tax on the adjusted gross income of
10 nonresident taxpayers in the county at a rate of one-hundredth of
11 one percent (0.01%).

12 **Sec. 3. (a)** For purposes of this chapter, an individual shall be
13 treated as a resident income taxpayer of the county in which the
14 individual:

15 (1) maintains a home, if the individual maintains only one (1)
16 home in Indiana;

17 (2) if subdivision (1) does not apply, is registered to vote;

18 (3) if subdivision (1) or (2) does not apply, registers the
19 individual's personal automobile; or

20 (4) if subdivision (1), (2), or (3) does not apply, spends the
21 majority of the individual's time spent in Indiana during the
22 taxable year in question.

23 **(b)** The residence or principal place of business or employment
24 of an individual is to be determined on the income tax
25 determination date for the individual's taxable year. If an
26 individual changes the location of the individual's residence or
27 principal place of employment or business to another county in
28 Indiana during the individual's taxable year, the individual's
29 liability for supplemental local income tax is not affected.

30 **Sec. 4. (a)** An adopting entity may pass an ordinance to enter
31 into reciprocity agreements with the taxing authority of a city,
32 town, municipality, county, or other similar local governmental
33 entity of any other state. A reciprocity agreement must provide
34 that the income of nonresident income taxpayers who reside in the
35 other local governmental entity is exempt from the supplemental
36 local income tax in the Indiana county entering into the agreement
37 to the extent that the income of Indiana resident income taxpayers
38 is exempt from income taxation by the other local governmental
39 entity.

40 **(b)** A reciprocity agreement adopted under this section may not
41 become effective until it is also made effective in the other local
42 governmental entity that is a party to the agreement.

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(c) A certified copy of the reciprocity agreement must be filed with the following:

- (1) The department.
- (2) The department of local government finance.
- (3) The budget agency.

(d) The form and effective date of any reciprocity agreement described in this section must be approved by the department.

Sec. 5. (a) If for a taxable year a local income taxpayer is (or a local income taxpayer and a local income taxpayer's spouse who file a joint return are) allowed a credit for the elderly or the disabled under Section 22 of the Internal Revenue Code, the local income taxpayer is (or a local income taxpayer and a local income taxpayer's spouse who file a joint return are) entitled to a credit against the local income taxpayer's (or the local income taxpayer's and the local income taxpayer's spouse's) income tax liability under this chapter for that same taxable year. The amount of the credit equals the lesser of:

(1) the product of:

(A) the local income taxpayer's (or the local income taxpayer's and the local income taxpayer's spouse's) credit for the elderly or the totally disabled for that same taxable year; multiplied by

(B) a fraction for which the numerator of the fraction is the income tax rate and the denominator is fifteen hundredths (0.15); or

(2) the amount of local income tax imposed on the local income taxpayer (or the local income taxpayer and the local income taxpayer's spouse).

(b) If a local income taxpayer and the local taxpayer's spouse file a joint return and are subject to different income tax rates under this chapter for the same taxable year, they shall compute the credit under this section using the formula provided by subsection (a), except that they shall use the average of the two (2) income tax rates as the numerator referred to in subsection (a)(1)(B).

Sec. 6. (a) If a taxing unit has outstanding bonds, leases, obligations, or other evidences of indebtedness, that are payable from a supplemental local income tax imposed under this chapter, the supplemental local income tax may not be decreased below a rate that would produce one and twenty-five hundredths (1.25) times the total of the highest annual payment requirements due from local income tax on those bonds, leases, obligations, or other

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evidences of indebtedness, to their final maturity.

(b) For purposes of subsection (a), the determination of a tax rate sufficient to produce one and twenty-five hundredths (1.25) times the total of the highest annual payment requirements shall be based on an average of the immediately preceding three (3) years tax collections for the supplemental local income tax, if the supplemental local income tax has been imposed for the immediately preceding three (3) years. If the supplemental local income tax has not been imposed for the immediately preceding three (3) years, the supplemental local income tax may not be reduced below a rate that would produce one and twenty-five hundredths (1.25) times the total of the highest annual payment requirements due from local income tax on those bonds, leases, obligations, or other evidences of indebtedness, based on a study by a qualified accountant or financial advisor.

(c) If no bonds, leases, obligations, or other evidences of indebtedness of the taxing unit are outstanding that are payable from a supplemental local income tax imposed under this chapter, the adopting entity that imposed the tax may adopt an ordinance to repeal the supplemental local income tax under this chapter.

Sec. 7. Revenue from a supplemental local income tax under this chapter shall be collected, deposited, and used as provided in IC 6-10-11.

Chapter 7. Collection Procedures for Local Sales Taxes

Sec. 1. A local sales tax imposed under IC 6-10-3 shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return that is filed for the payment of the tax may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax as prescribed by the department.

Sec. 2. A local sales tax imposed under IC 6-10-3 is a listed tax for purposes of IC 6-8.1.

Sec. 3. (a) If a county has imposed a local sales tax under IC 6-10-3, the department shall notify the county fiscal officer of the amount of tax paid in the county.

(b) The amounts received from a local sales tax imposed under IC 6-10-3 shall be paid monthly by the treasurer of state on warrants issued by the auditor of state to the fiscal officer of the county that imposed the tax.

Chapter 8. Collection Procedures for Local Food and Beverage Taxes

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1 **Sec. 1. A local food and beverage tax imposed under IC 6-10-4**
 2 **shall be imposed, paid, and collected in the same manner that the**
 3 **state gross retail tax is imposed, paid, and collected under IC 6-2.5.**
 4 **However, the return that is filed for the payment of the tax may be**
 5 **made on a separate return or may be combined with the return**
 6 **filed for the payment of the state gross retail tax as prescribed by**
 7 **the department.**

8 **Sec. 2. A local food and beverage tax imposed under IC 6-10-4**
 9 **is a listed tax for the purposes of IC 6-8.1.**

10 **Sec. 3. (a) If a county has imposed a local food and beverage tax**
 11 **under IC 6-10-4, the department shall notify the county fiscal**
 12 **officer of the amount of tax paid in the county.**

13 **(b) The amounts received from a local food and beverage tax**
 14 **imposed under IC 6-10-4 shall be paid monthly by the treasurer of**
 15 **state on warrants issued by the auditor of state to the fiscal officer**
 16 **of the county that imposed the tax.**

17 **Chapter 9. Collection Procedures for Local Innkeeper's Taxes**

18 **Sec. 1. A local innkeeper's tax imposed under IC 6-10-5 shall be**
 19 **imposed, paid, and collected in the same manner that the state**
 20 **gross retail tax is imposed, paid, and collected under IC 6-2.5.**
 21 **However, the return that is filed for the payment of the tax may be**
 22 **made on a separate return or may be combined with the return**
 23 **filed for the payment of the state gross retail tax as prescribed by**
 24 **the department.**

25 **Sec. 2. A local innkeeper's tax imposed under IC 6-10-5 is a**
 26 **listed tax for the purposes of IC 6-8.1.**

27 **Sec. 3. (a) If a county has imposed a local innkeeper's tax under**
 28 **IC 6-10-5, the department shall notify the county fiscal officer of**
 29 **the amount of tax paid in the county.**

30 **(b) The amounts received from a local innkeeper's tax imposed**
 31 **under IC 6-10-5 shall be paid monthly by the treasurer of state on**
 32 **warrants issued by the auditor of state to the fiscal officer of the**
 33 **county that imposed the tax.**

34 **Chapter 10. Collection Procedures for Supplemental Local**
 35 **Income Taxes**

36 **Sec. 1. (a) Except as otherwise provided in this article, all**
 37 **provisions of the adjusted gross income tax law (IC 6-3)**
 38 **concerning:**

- 39 **(1) definitions;**
- 40 **(2) declarations of estimated tax;**
- 41 **(3) filing of returns;**
- 42 **(4) remittances;**

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(5) incorporation of the provisions of the Internal Revenue Code;

(6) penalties and interest;

(7) exclusion of military pay credits for withholding; and

(8) exemptions and deductions;

apply to the imposition, collection, and administration of a supplemental local income tax imposed by IC 6-10-6.

(b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed by IC 6-10-6.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department the amount of withholdings attributable to each county. This report shall be submitted annually along with the employer's annual withholding report.

Sec. 2. (a) A special account within the state general fund shall be established for each county that is a recipient of revenues from a supplemental local income tax imposed under IC 6-10-6.

(b) Revenue derived from the imposition of a supplemental local income tax shall be deposited in the county's account in the state general fund, if the local income tax is imposed by the county's fiscal body.

(c) Income earned on money in an account established under this section becomes part of that account.

(d) Money remaining in an account at the end of a fiscal year does not revert to the state general fund but remains in that account.

Sec. 3. (a) Revenue derived from the imposition of a supplemental local income tax under IC 6-10-6 shall, in the manner prescribed by this chapter, be distributed to the county that imposed it.

(b) Subject to section 4 of this chapter, the amount to be distributed to a county during an ensuing calendar year equals the amount of supplemental local income tax revenue that the department, after reviewing the recommendation of the budget agency, determines has been:

(1) received from that county for a taxable year ending before the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted (as determined after review of the recommendation of the budget agency) for refunds of supplemental local income tax

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made in the state fiscal year.

Sec. 4. (a) The amount determined under section 3 of this chapter shall be adjusted as provided under this section.

(b) The department, after reviewing the recommendation of the budget agency, shall adjust the distribution of a county to an amount less than the amount determined under section 3 of this chapter if the department, after reviewing the recommendation of the budget agency, determines that the reduced distribution is necessary to offset overpayments made in a calendar year before the calendar year of the distribution. The department, after reviewing the recommendation of the budget agency, may reduce the amount of a certified distribution over several calendar years so that any overpayments are offset over several years rather than in one (1) lump sum.

(c) The department, after reviewing the recommendation of the budget agency, shall adjust the distribution of a county to correct for any clerical or mathematical errors made in any previous certification under this chapter. The department, after reviewing the recommendation of the budget agency, may reduce the amount of the distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(d) This subsection applies to a county that:

(1) initially imposes the supplemental local income tax; or

(2) increases the supplemental local income tax rate;

under this article in the same calendar year in which the department makes a certification under this section. The department, after reviewing the recommendation of the budget agency, shall adjust the distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The department shall provide for a full transition to certification of distributions as provided in section 5 of this chapter over the number of years determined by the department, after review of the recommendation of the budget agency.

Sec. 5. Before August 2 of each calendar year, the department, after reviewing the recommendation of the budget agency, shall certify to the fiscal officer of each adopting county the amount determined under section 3 of this chapter (as adjusted under section 4 of this chapter) plus the amount of interest in the county's account that has accrued and has not been included in a certification made in a preceding year. The amount certified is the

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1 county's "certified distribution" for the ensuing year.

2 Sec. 6. The department shall provide the adopting county with:

3 (1) the amount of the county's certified distribution for the
4 ensuing year; and

5 (2) an informative summary of the calculations used to
6 determine the certified distribution.

7 Sec. 7. The department shall distribute to a county the county's
8 certified distribution in twelve (12) equal monthly installments.

9 Chapter 11. Use of Supplemental Tax Revenues

10 Sec. 1. A supplemental tax revenues fund is established in each
11 county that is entitled to a distribution of supplemental tax
12 revenues under this article. A fund shall be administered by the
13 county fiscal officer.

14 Sec. 2. A county fiscal officer shall maintain the following two
15 (2) accounts in the fund:

16 (1) A property tax replacement account.

17 (2) A miscellaneous revenue shares account.

18 Sec. 3. The following percentages of supplemental tax revenue
19 distributed to the county from any of the taxes imposed under this
20 article shall be deposited in each account of the fund:

21 (1) Eighty percent (80%) in the property tax replacement
22 account.

23 (2) Twenty percent (20%) in the miscellaneous revenue shares
24 account.

25 Sec. 4. Any interest earned on the balance in the fund shall be
26 deposited in the property tax replacement account.

27 Sec. 5. An ad valorem property taxpayer in the county is eligible
28 for a property tax replacement credit in any year in which
29 supplemental tax revenue will be distributed to the county. The
30 department of local government finance, after reviewing the
31 recommendation of the budget agency, shall set the percentage of
32 the property tax replacement credit so that the total amount of
33 additional property tax replacement credits granted in a county
34 equals the amount of the supplemental tax revenues that the
35 department of local government finance estimates will be deposited
36 in the county's property tax replacement account in the year after
37 deducting any amount needed to comply with section 14 of this
38 chapter. The additional property tax replacement credit shall be
39 uniformly applied to all of the property taxes imposed on all of
40 each taxpayer's property in the county. The department of local
41 government finance shall certify the property tax replacement
42 credit percentage to the county fiscal officer of the county on the

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1 schedule determined by the department of local government
2 finance.

3 Sec. 6. (a) Subject to section 14 of this chapter, the county fiscal
4 officer of a county in which a supplemental tax revenues fund is
5 established shall distribute each year from the property tax
6 replacement account an amount equal to the amount of revenue
7 lost to the taxing unit as a result of the granting of the property tax
8 replacement credit under section 5 of this chapter. The balance in
9 the property tax replacement account shall be distributed to taxing
10 units:

11 (1) in at least two (2) installments each year on the June and
12 December settlement dated under IC 6-1.1-27-1; or

13 (2) in more frequent installments if a more frequent
14 distribution is specified in an ordinance adopted by the county
15 fiscal body.

16 (b) If an insufficient balance exists in the property tax
17 replacement account to make in a year all the distributions
18 required by this section, the county fiscal officer shall reduce the
19 distribution to each taxing unit in proportion to the taxes imposed
20 in the county in the year by the taxing unit relative to other taxing
21 units in the county.

22 (c) If the sum of the balance in the property tax replacement
23 account at the beginning of a year and the amount deposited in the
24 property tax replacement account in a year exceeds the total of the
25 revenue lost in a year by the granting of property tax credits under
26 section 5 of this chapter, the county fiscal officer shall retain the
27 excess amount in the property tax replacement account and use the
28 excess amount to replace revenue lost from the granting of an
29 increased property tax replacement credit computed under this
30 section. If a balance remains in a county's property tax
31 replacement account at the end of any year after making all
32 required distributions under this section, the department of local
33 government finance may increase in a subsequent year the
34 percentage of the property tax replacement credit granted in a
35 county under section 5 of this chapter by the amount of the balance
36 in the property tax replacement account. Any money in the
37 property tax replacement account that is not needed to make a
38 distribution to a taxing unit remains in the account as a reserve
39 and does not revert to the county's general fund at the end of a
40 year.

41 Sec. 7. Money received by a taxing unit from the property tax
42 replacement account shall be treated as ad valorem property taxes

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for all purposes and shall be apportioned among the funds of the taxing unit in proportion to the revenue lost by each fund as the result of the granting of the property tax replacement credit under section 5 of this chapter.

Sec. 8. For the purpose of determining any other credit against property tax liability granted under IC 6-1.1 or IC 6-3.5, except a credit granted under IC 6-1.1-20.6, the credit shall be computed as if no credit had been granted under section 5 of this chapter.

Sec. 9. Subject to section 14 of this chapter, the county fiscal officer shall distribute money in the miscellaneous revenue shares account to civil taxing units in the county:

(1) in at least two (2) installments each year on the June and December settlements dated under IC 6-1.1-27-1; or

(2) in more frequent installments if a more frequent distribution is specified in an ordinance adopted by the county fiscal body.

Sec. 10. Each civil taxing unit's share of a distribution from the miscellaneous revenue shares account shall be computed in the same manner as:

(1) Certified shares of county adjusted gross income taxes are distributed under IC 6-3.5-1.1-15, if the county:

(A) is eligible to receive a distribution of county adjusted gross income tax in the year; or

(B) is not eligible to receive a distribution of county adjusted gross income tax or county option income tax in the year.

(2) Certified distributions of the county option income tax are distributed under IC 6-3.5-6-18(e), IC 6-3.5-6-18(g), or IC 6-3.5-6-18.5, as applicable, if the county is eligible to receive a distribution of county option income taxes in the year.

Sec. 11. (a) This subsection applies to a county that is entitled to a distribution of county adjusted gross income tax or county option income tax in a year. A solid waste management district is entitled in a year to a distribution from the county's miscellaneous revenue shares account if the solid waste management district is authorized to receive a distribution of certified shares under IC 6-3.5-1.1-1.5 or a certified distribution under IC 6-3.5-6-1.3.

(b) This subsection applies to a county that is not entitled to a distribution of county adjusted gross income tax, county option income tax, or county economic development tax in a year. A solid waste management district is entitled in a year to a distribution

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1 from county's miscellaneous revenue shares account only if the
2 solid waste district is authorized to receive a distribution in the
3 manner provided in IC 6-3.5-6-1.3.

4 **Sec. 12.** A distribution to a civil taxing unit from a county's
5 miscellaneous revenue shares account shall be treated as
6 miscellaneous revenue. The taxing unit may use a distribution from
7 a miscellaneous revenue shares account for any lawful purpose,
8 including:

- 9 (1) a use permitted under IC 36-1.5;
- 10 (2) a use permitted under IC 6-3.5-7-13.1; or
- 11 (3) the payment of debt service or lease rentals on:
 - 12 (A) bonds;
 - 13 (B) leases;
 - 14 (C) obligations; or
 - 15 (D) any other evidence of indebtedness of the unit.

16 **Sec. 13.** The tax limitations in IC 6-1.1-18.5-3, IC 6-1.1-19-1.5,
17 or any other law do not apply to a distribution from the
18 miscellaneous revenue shares account. The amount of the
19 distribution shall not be considered in computing the amount of
20 revenue that may be raised under a tax limit in IC 6-1.1-18.5-3,
21 IC 6-1.1-19-1.5, or any other law.

22 **Sec. 14. (a)** If a governing body has bonds, leases, obligations, or
23 other evidences of indebtedness:

- 24 (1) for which the governing body became obligated before
- 25 April 1, 2006; and
- 26 (2) that are payable in whole or in part from tax increment
- 27 revenues;

28 the county's fiscal officer must first apply supplemental tax
29 revenues as provided in subsection (b) to the payment of the bonds,
30 leases, obligations, or other evidences of indebtedness if the
31 governing body certifies that, without the application of
32 supplemental tax revenues, the rights of holders or owners of the
33 bonds, leases, or other obligations will be impaired or adversely
34 affected by the property tax replacement credits provided for
35 under section 5 of this chapter.

36 **(b)** The amount needed to comply with this section shall be
37 deducted:

- 38 (1) first from the amount that would otherwise be distributed
- 39 in the year to civil taxing units from the miscellaneous shares
- 40 revenue account; and
- 41 (2) to the extent that any shortfall exists after applying the
- 42 amount described in subdivision (1), from the amount that

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would otherwise be distributed in the year to taxing units from the property tax replacement account.

Chapter 12. Covenants

Sec. 1. The general assembly makes the covenant described in section 2 of this chapter with:

- (1) the respective taxing units; and**
- (2) the purchasers and owners of bonds, leases, obligations, or any other evidences of indebtedness of a taxing unit payable from a tax imposed under this article.**

Sec. 2. This article will not be repealed or amended in any manner that will adversely affect the imposition or collection of a tax imposed under this article so long as the principal, interest, or lease rentals due under bonds, leases, obligations, or other evidences of indebtedness of a unit that are payable from a tax imposed under this article remain unpaid.

SECTION 160. IC 8-14-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) All funds allocated to cities and towns from the motor vehicle highway account shall be used by the cities and towns for the:

- (1) engineering, land acquisition,** construction, reconstruction, repair, maintenance, oiling, sprinkling, snow removal, weed and tree cutting and cleaning of their highways, ~~as herein defined, and including also any curbs; and the~~
- (2) city's or town's share of the cost of the separation of the grades of crossing of public highways and railroads; ~~the~~**
- (3) purchase or lease of highway construction and maintenance equipment; ~~the~~**
- (4) purchase, erection, operation and maintenance of traffic signs and signals, and safety zones and devices; and ~~the~~**
- (5) painting of structures, objects, and surfaces in highways for purposes of safety and traffic regulation.**

All of ~~such the~~ funds shall be budgeted as provided by law.

(b) In addition to purposes for which funds may be expended under subsections (a) and (c) of this section, monies allocated to cities and towns under this chapter may be expended for law enforcement purposes, subject to the following limitations:

- (1) For cities and towns with a population of less than five thousand (5,000), no more than fifteen percent (15%) may be spent for law enforcement purposes.
- (2) For cities and towns other than those specified in subdivision (1) of this subsection, no more than ten percent (10%) may be spent for law enforcement purposes.

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(c) In addition to purposes for which funds may be expended under subsections (a) and (b) of this section, monies allocated to cities and towns under this chapter may be expended for the payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects.

SECTION 161. IC 8-14-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. **(a)** Money from the local road and street account shall be used exclusively by the cities, towns, and counties for:

- (1) engineering, land acquisition, construction, resurfacing, maintenance, restoration, or rehabilitation of both local and arterial road and street systems;
- (2) the payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects;
- (3) any local costs required to undertake a recreational or reservoir road project under IC 8-23-5; or
- (4) the purchase, rental, or repair of highway equipment.

(b) In addition to the purposes specified in subsection (a), cities, towns, and counties may use money from the local road and street account for:

- (1) oiling, sprinkling, snow removal, weed and tree cutting, and cleaning of their highways, including any curbs;**
- (2) the city's or town's share of the cost of the separation of the grades of crossing of public highways and railroads;**
- (3) the purchase, erection, and operation and maintenance of traffic signs and signals and safety zones and devices; and**
- (4) the painting of structures, objects, and surfaces in highways for purposes of safety and traffic regulation.**

SECTION 162. IC 11-13-6-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5.5. (a) This section shall not be construed to limit ~~victim's~~ **victims'** rights granted by IC 35-40 or any other law.

(b) As used in this section, "sex offense" refers to a sex offense described in ~~IC 5-2-12-4(1)~~ **IC 5-2-12-4(a)**.

(c) As used in this section, "victim" means a person who has suffered direct harm as a result of a delinquent act that would be a sex offense if the delinquent offender were an adult. The term includes a victim's representative appointed under IC 35-40-13.

(d) Unless a victim has requested in writing not to be notified, the department shall notify the victim involved in the adjudication of a delinquent offender committed to the department for a sex offense of the delinquent offender's:

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- (1) discharge from the department of correction;
- (2) release from the department of correction under any temporary release program administered by the department;
- (3) release on parole;
- (4) parole release hearing under this chapter;
- (5) parole violation hearing under this chapter; or
- (6) escape from commitment to the department of correction.

(e) The department shall make the notification required under subsection (d):

- (1) at least forty (40) days before a discharge, release, or hearing occurs; and
- (2) not later than twenty-four (24) hours after the escape of a delinquent offender from commitment to the department of correction.

The department shall supply the information to a victim at the address supplied to the department by the victim. A victim is responsible for supplying the department with any change of address or telephone number of the victim.

(f) The ~~probation officer or~~ **department of child services** caseworker preparing the predispositional report under IC 31-37-17 shall inform the victim before the predispositional report is prepared of the right of the victim to receive notification from the department under subsection (d). The probation department or county office of family and children shall forward the most recent list of the addresses or telephone numbers, or both, of victims to the department. The probation department or county office of family and children shall supply the department with the information required by this section as soon as possible but not later than five (5) days after the receipt of the information. A victim is responsible for supplying the department with the correct address and telephone number of the victim.

(g) Notwithstanding IC 11-8-5-2 and IC 4-1-6, a delinquent offender may not have access to the name and address of a victim. Upon the filing of a motion by a person requesting or objecting to the release of victim information or representative information, or both, that is retained by the department, the court shall review in camera the information that is the subject of the motion before ruling on the motion.

(h) The notice required under subsection (d) must specify whether the delinquent offender is being discharged, is being released under a temporary release program administered by the department, is being released on parole, is having a parole release hearing, is having a parole violation hearing, or has escaped. The notice must contain the

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following information:

- (1) The name of the delinquent offender.
- (2) The date of the delinquent act.
- (3) The date of the adjudication as a delinquent offender.
- (4) The delinquent act of which the delinquent offender was adjudicated.
- (5) The disposition imposed.
- (6) The amount of time for which the delinquent offender was committed to the department.
- (7) The date and location of the interview (if applicable).

SECTION 163. IC 12-7-2-64, AS AMENDED BY P.L.234-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 64. "Director" refers to the following:

- (1) With respect to a particular division, the director of the division.
- (2) With respect to a particular state institution, the director who has administrative control of and responsibility for the state institution.
- (3) For purposes of IC 12-10-15, the term refers to the director of the division of disability, aging, and rehabilitative services.
- ~~(4) For purposes of IC 12-19-5, the term refers to the director of the department of child services established by IC 31-33-1.5-2.~~
- ~~(5)~~ (4) For purposes of IC 12-25, the term refers to the director of the division of mental health and addiction.
- ~~(6)~~ (5) For purposes of IC 12-26, the term:
 - (A) refers to the director who has administrative control of and responsibility for the appropriate state institution; and
 - (B) includes the director's designee.
- ~~(7)~~ (6) If subdivisions (1) through ~~(6)~~ (5) do not apply, the term refers to the director of any of the divisions.

SECTION 164. IC 12-13-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 17. The part of the care and maintenance of the inmates of the Plainfield Juvenile Correctional Facility and the Indianapolis Juvenile Correctional Facility that under law is to be charged back to the counties shall be paid from the county general fund. ~~and not the county family and children's fund; unless otherwise provided by law.~~

SECTION 165. IC 12-17-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. (a) Upon the completion of an investigation under section 9 of this chapter, the county office shall do the following:

- (1) Determine whether the child is eligible for assistance under

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1 this chapter and the division's rules.

2 (2) Determine the amount of the assistance and the date on which
3 the assistance is to begin.

4 (3) Make an award, including any subsequent modification of the
5 award, with which the county office shall comply until the award
6 or modified award is vacated.

7 (4) Notify the applicant and the division of the county office's
8 decision in writing.

9 (b) The county office shall provide assistance to the recipient at
10 least monthly upon warrant of the county auditor. The assistance must
11 be:

12 (1) ~~made paid by the state from the county family and children's~~
13 ~~fund; the sources of revenue described in IC 31-33-1.5-13;~~ and

14 (2) based upon a verified schedule of the recipients.

15 (c) The director of the county office shall prepare and verify the
16 amount payable to the recipient, in relation to the awards made by the
17 county office. The division shall prescribe the form upon which the
18 schedule under subsection (b)(2) must be filed.

19 SECTION 166. IC 12-17-3-2 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. (a) This section
21 does not apply to a county department's:

22 (1) administrative expenses; or

23 (2) expenses regarding facilities, supplies, and equipment.

24 (b) Necessary expenses incurred in the administration of the child
25 welfare services under section 1 of this chapter shall be paid ~~out by the~~
26 **state from the sources of the county welfare fund or the county family**
27 **and children's fund: (whichever is appropriate): revenue described in**
28 **IC 31-33-1.5-13.**

29 SECTION 167. IC 12-19-1-14 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 14. (a) A county
31 office may charge the following adoption fees:

32 (1) An adoption placement fee that may not exceed the actual
33 costs incurred by the county office for medical expenses of
34 children and mothers.

35 (2) A fee that does not exceed the time and travel costs incurred
36 by the county office for home study and investigation concerning
37 a contemplated adoption.

38 (b) Fees charged under this section shall be deposited in a separate
39 account in the ~~county~~ family and children trust clearance fund
40 established under section 16 of this chapter. Money deposited under
41 this subsection shall be expended by the ~~county office~~ **division** for the
42 following purposes without further appropriation:

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(1) The care of children whose adoption is contemplated.

(2) The improvement of adoption services. ~~provided by the county departments.~~

(c) The director of the division may adopt rules governing the expenditure of money under this section.

(d) The division may provide written authorization allowing a county office to reduce or waive charges authorized under this section in hardship cases or for other good cause after investigation. The division may adopt forms on which the written authorization is provided.

SECTION 168. IC 12-19-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 15. (a) ~~A county office~~ **The department of child services** may receive and administer a gift, devise, or bequest of personal property, including the income from real property, that is:

(1) to or for the benefit of a home or an institution in which dependent or neglected children are cared for under the supervision of the ~~county office~~; **department of child services or the division**; or

(2) for the benefit of children who are committed to the care or supervision of the ~~county office~~; **department of child services or the division**.

(b) ~~A county office~~ **The department of child services** may invest or reinvest money received under this section in the same types of securities in which life insurance companies are authorized by law to invest the money of the life insurance companies.

(c) The following shall be kept in a ~~special~~ **the family and children clearance trust** fund and may not be commingled with any other fund or with money received from taxation:

(1) All money received by the ~~county office~~ **department of child services** under this section.

(2) All money, proceeds, or income realized from real property or other investments.

(d) Subject to the ~~approval of the judge or the court of the county having probate jurisdiction~~; **conditions imposed on the gift, devise, or bequest by the donor**, money described in subsection (c)(1) or (c)(2) may be expended by the ~~county office~~ **department of child services or division** in any manner consistent with the purposes of the fund's creation and with the intention of the donor.

SECTION 169. IC 12-19-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 16. ~~(a) This section does not apply to money received to reimburse the county~~

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family and children's fund for expenditures made from the appropriations of the county office.

(a) **The family and children trust clearance fund is established. The department of child services shall administer the fund as a trust fund. Money in the fund may be invested as money in other trust funds are invested. The balance of the fund at the end of a state fiscal year does not revert to the state general fund.**

(b) ~~A county office~~ **The department of child services** may receive and administer money available to or for the benefit of a person receiving payments or services from the county office. The following applies to all money received under this section:

(1) The money shall be kept in ~~a special fund known as the county family and children trust clearance fund~~ and may not be commingled with any other fund or with money received from taxation.

(2) The money may be expended by the ~~county office~~ **department of child services or the division** in any manner consistent with the following:

(A) The purpose of the ~~county~~ family and children trust clearance fund or with the intention of the donor of the money.

(B) Indiana law.

SECTION 170. IC 12-19-1.5-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 3.5. As used in this chapter, "implementation date" means the following:**

(1) **December 31, 1999, for pledges described in section 8(a)(1) of this chapter.**

(2) **March 31, 2006, for pledges described in section 8(a)(2) of this chapter.**

SECTION 171. IC 12-19-1.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 6. As used in this chapter, "replacement amount" means the sum of the property taxes imposed on the assessed value of property in the allocation area in excess of the base assessed value in the following:**

(1) 1999 for:

(~~1~~) **(A)** the county welfare fund; and

(~~2~~) **(B)** the county welfare administration fund.

(2) 2006 for:

(A) the county family and children's fund; and

(B) the county children's psychiatric residential treatment services fund.

SECTION 172. IC 12-19-1.5-8 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 8. (a) This chapter applies to an allocation area in which **either:**

(1) the:

(A) holders of obligations received a pledge before July 1, 1999, of tax increment revenues to repay any part of the obligations due after December 31, 1999; and

~~(2) (B) the elimination of a county welfare fund property tax levy or a county welfare administration fund property tax levy adversely affects the ability of the governing body to repay the obligations described in subdivision (1);~~ **clause (A); or**

(2) the:

(A) holders of obligations received a pledge before April 1, 2006, of tax increment revenues to repay any part of the obligations due after March 31, 2006; and

(B) limitations on the county family and children's fund levy or the county children's psychiatric residential treatment services fund levy enacted by the general assembly in 2006 adversely affects the ability of the governing body to repay the obligations described in clause (A).

(b) A governing body may use one (1) or more of the procedures described in sections 9 through 11 of this chapter to provide sufficient funds to repay the obligations described in subsection (a). The amount raised each year may not exceed the replacement amount.

SECTION 173. IC 12-19-1.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 9. (a) A governing body may, after a public hearing, impose a special assessment on the owners of property that is located in an allocation area to repay a bond or an obligation described in section 8 of this chapter that comes due after ~~December 31, 1999;~~ **the implementation date.** The amount of a special assessment for a taxpayer shall be determined by multiplying the replacement amount by a fraction, the denominator of which is the total incremental assessed value in the allocation area, and the numerator of which is the incremental assessed value of the taxpayer's property in the allocation area.

(b) Before a public hearing under subsection (a) may be held, the governing body must publish notice of the hearing under IC 5-3-1. The notice must state that the governing body will meet to consider whether a special assessment should be imposed under this chapter and whether the special assessment will help the governing body realize the redevelopment or economic development objectives for the allocation area or honor its obligations related to the allocation area. The notice

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1 must also name a date when the governing body will receive and hear
 2 remonstrances and objections from persons affected by the special
 3 assessment. All persons affected by the hearing, including all taxpayers
 4 within the allocation area, shall be considered notified of the pendency
 5 of the hearing and of subsequent acts, hearings, and orders of the
 6 governing body by the notice. At the hearing, which may be adjourned
 7 from time to time, the governing body shall hear all persons affected by
 8 the proceedings and shall consider all written remonstrances and
 9 objections that have been filed. The only grounds for remonstrance or
 10 objection are that the special assessment will not help the governing
 11 body realize the redevelopment or economic development objectives
 12 for the allocation area or honor its obligations related to the allocation
 13 area. After considering the evidence presented, the governing body
 14 shall take final action concerning the proposed special assessment. The
 15 final action taken by the governing body shall be recorded and is final
 16 and conclusive, except that an appeal may be taken in the manner
 17 prescribed by subsection (c).

18 (c) A person who filed a written remonstrance with a governing
 19 body under subsection (b) and is aggrieved by the final action taken
 20 may, within ten (10) days after that final action, file in the office of the
 21 clerk of the circuit or superior court a copy of the order of the
 22 governing body and the person's remonstrance or objection against that
 23 final action, together with a bond conditioned to pay the costs of appeal
 24 if the appeal is determined against the person. The only ground of
 25 remonstrance or objection that the court may hear is whether the
 26 proposed assessment will help achieve the redevelopment of economic
 27 development objectives for the allocation area or honor its obligations
 28 related to the allocation area. An appeal under this subsection shall be
 29 promptly heard by the court without a jury. All remonstrances or
 30 objections upon which an appeal has been taken must be consolidated,
 31 heard, and determined within thirty (30) days after the time of the filing
 32 of the appeal. The court shall hear evidence on the remonstrances or
 33 objections, and may confirm the final action of the governing body or
 34 sustain the remonstrances or objections. The judgment of the court is
 35 final and conclusive, unless an appeal is taken as in other civil actions.

36 (d) The maximum amount of a special assessment under this section
 37 may not exceed the replacement amount.

38 (e) A special assessment shall be imposed and collected in the same
 39 manner as ad valorem property taxes are imposed and collected.

40 SECTION 174. IC 12-19-7-1, AS AMENDED BY P.L.1-2005,
 41 SECTION 137, IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JANUARY 1, 2007]: Sec. 1. As used in this chapter,

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"child services" means the following:

(1) Child welfare services specifically provided for children who are:

(A) adjudicated to be:

(i) children in need of services; or

(ii) delinquent children; or

(B) recipients of or are eligible for:

(i) informal adjustments;

(ii) service referral agreements; and

(iii) adoption assistance;

including the costs of using an institution or facility in Indiana for providing educational services as described in either IC 20-33-2-29 (if applicable) or IC 20-26-11-13 (if applicable), all services required to be paid by a county **from the family and children's fund** under IC 31-40-1-2, **all services required to be paid by the department of child services from the state family and children's fund under IC 31-40-1-2**, and all costs required to be paid by a ~~county~~ **the department of child services** under IC 20-26-11-12.

(2) Assistance awarded by a county to a destitute child under IC 12-17-1.

(3) Child welfare services as described in IC 12-17-3.

SECTION 175. IC 12-19-7-3, AS AMENDED BY P.L.234-2005, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) A family and children's fund is established in each county.

(b) The ~~fund~~ county shall be raised by levy a separate tax levy (the county family and children property tax levy) **for the fund** that:

(1) is in addition to all other tax levies authorized **for the county**; and

(2) shall be levied annually by the county fiscal body on all taxable property in the county. ~~in the amount necessary to raise the part of the fund that the county must raise to pay the items; awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 6 of this chapter.~~

The total tax levy that a county may impose under this section equals the amount determined under section 4 of this chapter.

~~(b)~~ The **property** tax levy imposed under this section shall be collected as other state and county ad valorem **property** taxes are collected.

(c) The following shall be paid into the county treasury and constitute the family and children's fund:

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(1) All receipts from the tax imposed under this section.

~~(2) All grants-in-aid, whether received from the federal government or state government.~~

(2) The:

(A) financial institutions tax (IC 6-5.5);

(B) motor vehicle excise taxes (IC 6-6-5);

(C) commercial vehicle excise tax (IC 6-6-5.5);

(D) boat excise tax (IC 6-6-11); and

(E) aircraft excise tax (IC 6-6-6.5);

that are distributed to the county as a result of the county's share of property taxes imposed for the fund.

(3) Any other money required by law to be placed in the fund.

~~(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved; making a distribution to the state required under section 35 of this chapter.~~

(e) Money in the fund at the end of a budget year does not revert to the county general fund.

SECTION 176. IC 12-19-7-4, AS AMENDED BY P.L.234-2005, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. **(a) For taxes first due and payable in 2007, each county shall impose a county family and children property tax levy equal to the tax levy determined under STEP TEN of the following formula:**

STEP ONE: Determine the total budget estimate for the county's fund for the budget year 2006 that was compiled and adopted under IC 12-19-7-6 (as effective July 1, 2005) by the department of child services, as shown for the fund for that year on line 1 of Budget Form No. 4-B (Rev. 1985).

STEP TWO: Determine the total estimate of miscellaneous revenues for the county's fund for the budget year 2006 from sources other than general property taxes, that was compiled and adopted under IC 12-19-7-6 (as effective July 1, 2005) by the department of child services, as shown for the fund for that year on line 8(b) of Budget Form No. 4-B (Rev. 1985).

STEP THREE: Determine the total amount of disbursements from the county's fund for budget year 2005 for in each subaccount containing expenditures for delinquent children in the following appropriation accounts, as shown for that year on "Financial Report-County Family and Children Fund" State Form 3581:

(A) Appropriation Account 32500 (out of home

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placements-care of wards in foster homes).

(B) Appropriation Account 32510 (out of home placements-care of wards in therapeutic foster homes).

(C) Appropriation Account 32520 (out of home placements-care of wards in institutions).

(D) Appropriations Account 32530 (independent living for wards).

STEP FOUR: Determine the product of fifteen hundredths (0.15) multiplied by the total amount of disbursements from the county's fund for budget year 2005 for the following appropriation accounts, as shown for that year on "Financial Report-County Family and Children Fund" State Form 3581:

(A) Appropriations Account 32540 (preservation services).

(B) Appropriations Account 32550 (miscellaneous costs of wards).

STEP FIVE: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the STEP FOUR amount.

STEP SIX: Determine the result of:

(A) the STEP FIVE result; divided by

(B) the STEP ONE amount;

rounded to the nearest ten thousandth (0.0001).

STEP SEVEN: Multiply the STEP TWO amount by the STEP SIX result, rounded to the nearest ten thousandth (0.0001).

STEP EIGHT: Determine the result of:

(A) the STEP FIVE result; minus

(B) the STEP SEVEN result.

STEP NINE: Determine the result of:

(A) the STEP TWO result; plus

(B) the STEP EIGHT result.

STEP TEN: Determine the result of:

(A) the STEP ONE amount; minus

(B) the STEP NINE result.

(a) (b) For taxes first due and payable in each year after 2005; 2007, each county shall impose a county family and children property tax levy equal to the county family and children property tax levy necessary to pay the costs of the child services of the county for the next fiscal year: determined under STEP FIVE of the following formula:

STEP ONE: Determine the fund base levy for 2007 under subsection (a).

STEP TWO: Determine the sum of the cost of services

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ordered by a juvenile court that have been charged back to the county under IC 31-40-1-2 in the period beginning August 1 of the year preceding the year in which the levy is imposed by two (2) years and ending July 31 in the year immediately preceding the year in which the levy is imposed.

STEP THREE: Determine the miscellaneous revenues for the fund from sources other than general property taxes that are available to pay the costs of services described in STEP TWO, including fees that a juvenile court orders a parent or guardian to pay under IC 31-40-1, as determined under the procedures prescribed by the department of local government finance.

STEP FOUR: Determine the result of:

(A) the STEP TWO amount; minus

(B) the STEP THREE amount.

STEP FIVE: Determine the result of:

(A) the STEP ONE amount; plus

(B) the STEP FOUR amount.

(b) (c) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy. ~~and comply with IC 6-1.1-17-3.~~

SECTION 177. IC 12-19-7-35 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 35. (a)** Subject to this section, before the fifth day of each month, all money contained in a county's fund at the end of the preceding month shall be transferred to the state family and children's fund established by IC 31-33-1.5-13.

(b) Money deposited in the fund from:

(1) property taxes imposed for an assessment date before January 16, 2006;

(2) the proceeds of bonds issued or loans taken out under IC 12-19-5 (repealed), IC 12-19-7.5, or a predecessor law to pay an obligation related to child services provided before January 1, 2007;

(3) the:

(A) financial institutions tax (IC 6-5.5);

(B) motor vehicle excise taxes (IC 6-6-5);

(C) commercial vehicle excise tax (IC 6-6-5.5);

(D) boat excise tax (IC 6-6-11); and

(E) aircraft excise tax (IC 6-6-6.5);

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1 that are distributed to the county as a result of the county's
 2 share of property taxes imposed before January 1, 2007, for
 3 the fund; and

4 (4) grants-in-aid, fees collected from a parent, guardian, or
 5 custodian of a child, and other money attributable to child
 6 services provided before January 1, 2007;

7 shall be used by a county to reduce the obligation of the county to
 8 pay for expenditures for child services and any other obligations
 9 that were incurred before January 1, 2007, and payable from the
 10 fund at the time they were incurred.

11 (c) The department of child services, with the approval of the
 12 state board of accounts, shall prescribe procedures and standards
 13 for allocating money in the fund between the purposes described
 14 in subsections (a) and (b). A county shall use money in the fund in
 15 conformity with the procedures and standards prescribed in this
 16 subsection.

17 (d) The part of any outstanding obligation of the fund that was
 18 incurred before January 1, 2007, and exceeds the amount retained
 19 under subsection (b), including the amount needed to repay the
 20 principal and interest on bonds issued under IC 12-19-7-31
 21 (repealed), shall be transferred, after December 31, 2006, from the
 22 fund to the county's debt service fund or another sinking fund. The
 23 county may issue bonds under IC 36-2-6-18 to pay or refund the
 24 obligation. The county shall add to the tax duplicate of the county
 25 an annual levy sufficient to pay:

26 (1) the outstanding obligation or bonds issued to pay the
 27 outstanding obligation; and

28 (2) any interest due on the outstanding obligation or bonds
 29 issued to pay the outstanding obligation.

30 SECTION 178. IC 12-19-7.5-5, AS AMENDED BY P.L.234-2005,
 31 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JANUARY 1, 2007]: Sec. 5. (a) A children's psychiatric residential
 33 treatment services fund is established in each county.

34 (b) ~~The fund~~ county shall be raised by levy a separate tax levy (the
 35 county children's psychiatric residential treatment services property tax
 36 levy) for the fund that:

37 (1) is in addition to all other tax levies authorized for the county;
 38 and

39 (2) shall be levied annually by the county fiscal body on all
 40 taxable property in the county; ~~in the amount necessary to raise~~
 41 ~~the part of the fund that the county must raise to pay the items;~~
 42 awards, claims, allowances, assistance, and other expenses set

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1 forth in the annual budget under section 8 of this chapter. and
 2 (3) is in addition to any other money required by law to be
 3 deposited in the fund.

4 **The total tax levy that a county may impose under this section**
 5 **equals the amount determined under section 6 of this chapter.**

6 ~~(b)~~ The tax imposed under this section shall be collected as other
 7 state and county ad valorem taxes are collected.

8 (c) The following shall be paid into the county treasury and
 9 constitute the children's psychiatric residential treatment services fund:

10 (1) All receipts from the tax imposed under this section.

11 ~~(2) All grants-in-aid, whether received from the federal~~
 12 ~~government or state government.~~

13 **(2) The:**

14 **(A) financial institutions tax (IC 6-5.5);**

15 **(B) motor vehicle excise taxes (IC 6-6-5);**

16 **(C) commercial vehicle excise taxes (IC 6-6-5.5);**

17 **(D) boat excise tax (IC 6-6-11); and**

18 **(E) aircraft excise tax (IC 6-6-6.5);**

19 **that are distributed to the county as a result of the county's**
 20 **share of property taxes imposed for the fund.**

21 (3) Any other money required by law to be placed in the fund.

22 (d) The fund is available for the purpose of ~~paying expenses and~~
 23 ~~obligations set forth in the annual budget that is submitted and~~
 24 ~~approved; making a distribution to the state required under section~~
 25 **34 of this chapter.**

26 (e) Money in the fund at the end of a budget year does not revert to
 27 the county general fund.

28 SECTION 179. IC 12-19-7.5-6, AS AMENDED BY P.L.234-2005,
 29 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JANUARY 1, 2007]: Sec. 6. (a) For taxes first due and payable in each
 31 year after ~~2005~~, **2006**, each county shall impose a county children's
 32 psychiatric residential treatment services property tax levy equal to the
 33 county children's psychiatric residential treatment services property tax
 34 levy ~~necessary to pay the costs of children's psychiatric residential~~
 35 ~~treatment services of the county for the next fiscal year; determined~~
 36 **under STEP three of the following formula:**

37 **STEP ONE: Determine the total budget estimate for the**
 38 **county's fund for the budget year 2006 that was compiled and**
 39 **adopted under IC 12-19-7.5-8 (as effective July 1, 2005) by the**
 40 **department of child services, as shown for the fund for that**
 41 **year on line 1 of Budget Form No. 4-B (Rev. 1985).**

42 **STEP TWO: Determine the total estimate of miscellaneous**

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revenues for the county's fund for the budget year 2006 from sources other than general property taxes, that was compiled and adopted under IC 12-19-7.5-8 (as effective July 1, 2005) by the department of child services, as shown for the fund for that year on line 8(b) of Budget Form No. 4-B (Rev. 1985).

STEP THREE: Determine the result of:

(A) the STEP ONE amount; minus

(B) the STEP TWO amount.

(b) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

SECTION 180. IC 12-19-7.5-34 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 34. (a) Subject to this section, before the fifth day of each month, all money contained in a county's fund at the end of the preceding month shall be transferred to the state family and children's fund established by IC 31-33-1.5-13.**

(b) Money deposited in the fund from:

(1) property taxes imposed for an assessment date before January 16, 2006;

(2) the proceeds of bonds issued or loans taken out under IC 12-19-5 (repealed), IC 12-19-7, IC 12-19-7.5, or a predecessor law to pay an obligation related to children's psychiatric residential treatment services provided before January 1, 2007;

(3) the:

(A) financial institutions tax (IC 6-5.5);

(B) motor vehicle excise taxes (IC 6-6-5);

(C) commercial vehicle excise tax (IC 6-6-5.5);

(D) boat excise tax (IC 6-6-11); and

(E) aircraft excise tax (IC 6-6-6.5);

that are distributed to the county as a result of the county's share of property taxes imposed before January 1, 2007, for the fund; and

(4) grants-in-aid, fees collected from a parent, guardian, or custodian of a child, and other money attributable to children's psychiatric residential treatment services provided before January 1, 2007;

shall be used by a county to reduce the obligation of the county to pay for expenditures for children's psychiatric residential treatment services and any other obligations that were incurred

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1 before January 1, 2007, and payable from the fund at the time they
2 were incurred.

3 (c) The department of child services, with the approval of the
4 state board of accounts, shall prescribe procedures and standards
5 for allocating money in the fund between the purposes described
6 in subsections (a) and (b). A county shall account for and use
7 money in the fund in conformity with the procedures and
8 standards prescribed in this subsection.

9 (d) The part of any outstanding obligation of the fund that was
10 incurred before January 1, 2007, and exceeds the amount retained
11 under subsection (b), including the amount needed to repay the
12 principal and interest on bonds issued under IC 12-19-7.5-30
13 (repealed), shall be transferred, after December 31, 2006, from the
14 fund to the county's debt service fund or another sinking fund. The
15 county may issue bonds under IC 36-2-6-18 to pay or refund the
16 obligation. The county shall add to the tax duplicate of the county
17 an annual levy sufficient to pay:

18 (1) the outstanding obligation or bonds issued to pay the
19 outstanding obligation; and

20 (2) any interest due on the outstanding obligation or bonds
21 issued to pay the outstanding obligation.

22 SECTION 181. IC 15-5-9-1 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The township
24 county assessor shall make a diligent census as to the number of dogs
25 owned, harbored, or kept by any person. A person owning or harboring
26 a dog shall pay immediately to the township county assessor a tax for
27 each dog owned, harbored, or kept on the same premises, whether
28 owned by that person or some other person, as follows:

29 (1) Except as provided in subsection (d), for each neutered dog,
30 two dollars (\$2).

31 (2) For each nonneutered dog, four dollars (\$4).

32 (3) For each additional dog, six dollars (\$6).

33 No dog under six (6) months of age is subject to any tax under this
34 chapter. Whoever becomes the owner or harbored of a dog after the dog
35 census by the township county assessor or any owner or harbored of a
36 dog for which for any reason the assessor failed to collect the tax, shall,
37 within thirty (30) days after becoming the owner or harbored of a dog,
38 apply to the assessor, or the assessor's designee pay the required fee,
39 and procure a tag for the dog.

40 (b) Dogs kept in kennels for breeding, boarding, or training
41 purposes or for sale shall not be assessed an individual license fee, but
42 the owner or keeper shall pay a kennel license fee according to the

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following schedule:

(1) For a major kennel, consisting of fifteen (15) or more dogs, a fee of thirty dollars (\$30).

(2) For a minor kennel, consisting of less than fifteen (15) dogs, a fee of twenty dollars (\$20).

For each individual dog tag or kennel license issued under this chapter, the ~~township~~ **county** assessor ~~(or trustee who collects the fee)~~ shall retain from the fee described in this section, an administrative fee of fifty cents (\$0.50). Administrative fees collected by the assessor shall be deposited in the county general fund. ~~and administrative fees collected by the trustee shall be deposited in the township general fund.~~

(c) Upon the payment of the license fee required by subsection (b), the ~~township~~ **county** assessor shall deliver to the owner or keeper of the kennel a proper license together with a metallic tag for each dog in such kennel. The license shall be dated and numbered and shall bear the name of the county issuing it and the name and address of the owner of the kennel licensed, and a description of the breed, number, sex, and age of the dogs kept in such kennel. Any person becoming the owner of a dog kennel shall, within thirty (30) days after becoming the owner, apply to the ~~township~~ **county** assessor ~~township trustee~~, or assessor's designee and, upon payment of the required fee, procure a license and a metallic tag for all dogs kept in the kennel.

(d) A county council may increase the tax on neutered dogs imposed under subsection (a) from two dollars (\$2) to three dollars (\$3).

(e) A ~~township~~ **county** assessor ~~(or a township trustee who has the duties of a township assessor)~~ may designate one (1) or more licensed veterinarians or humane societies in the assessor's ~~township~~ **county** to collect the dog taxes and kennel license fees and issue the licenses under this chapter. A designee may retain seventy-five cents (\$0.75) as a fee for that service and remit the balance of the money collected to the ~~township trustee~~ **county assessor** by the tenth day of each month. As used in this subsection, "humane society" includes an animal shelter, animal control center, or other animal impounding facility that has as its purpose the humane treatment of animals.

SECTION 182. IC 15-5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The ~~township~~ **county** assessor shall give to each person a receipt for the money paid the assessor, which shall be designated for dog tax. The receipt shall show the person's name who owns, harbors, or keeps the dog, the amount paid, and the number, description, and kind of dogs paid for, whether male or female, and the number of each. The receipt relieves the person owning, keeping, or harboring dogs for the current year,

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extending one (1) year from its date. The assessor shall keep a record of persons owning dogs subject to taxation and a record of the dogs paid for. The assessor shall keep a stub record or copy of the receipts given for money paid as dog tax. The stub record shall show the amount paid, the number of dogs, both male and female, paid for, and the person's name owning the dogs paid for. At the time when the receipt is issued to the person, the assessor shall give to the person a tag, which shall be attached to the collar worn by the dog.

(b) ~~Before July 1 each year, the township assessor shall turn over to the township trustee all the records kept by the assessor relating to the collecting and payment of dog taxes and kennel license fees, and a copy of all receipts given by the assessor to persons having paid dog taxes and kennel license fees, and all money received by the assessor as dog taxes, and all tags left in the assessor's possession.~~ The **county** assessor shall assess against each person who failed to pay to the assessor the amount of any license fee owed by the person, and the amount of the license fees shall be placed upon the tax duplicate by the county auditor and collected as taxes are collected.

(c) ~~From July 1 each year until March 1 of the next year, the township trustee shall receive any license fees subject to be paid under this chapter and issue any licenses under this chapter that may be received or issued by the township assessor under this chapter.~~

SECTION 183. IC 15-5-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. The ~~township~~ **county** assessor shall, before July 1 each year, report the amount collected as dog tax and kennel license fees to the county auditor. The dog taxes and kennel license fees collected by the assessor shall be turned over by the assessor to the township trustee of the ~~assessor's township from which the taxes and fees were collected.~~ The county auditor shall make a record of the same, and charge the amount stated in the report against the township trustee as receipts from the county dog fund.

SECTION 184. IC 15-5-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) Each ~~township~~ **county** assessor shall perform the duties imposed by this chapter. If a dog owner has failed to turn in a dog for taxation purposes, the assessor shall notify the owner that the assessor is listing the unpaid taxes within a period of ten (10) days, at which time the person will be assessed double the amount of taxes provided by this chapter unless the person owning the dog appears voluntarily within the ten (10) days and:

- (1) proves to the satisfaction of the assessor that the person owned no such dog at the time the census was made; or
- (2) makes an affidavit to be kept on file by the assessor to the

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effect that the failure to report a dog for taxation was not intentional and was not purposely omitted for the purpose of avoiding payment of taxes.

(b) Each **county** assessor shall keep a complete list of all dogs subject to the tax under this chapter together with the names of their owners on record in the assessor's office at all times and available to the public. If any person shall acquire, own, harbor, or keep any dog after the assessor has completed the census, the person shall report the dog to and pay to the assessor the amount of dog tax as provided in this chapter and receive a receipt and tag for the payment. The receipt and tag exempts the person from further payment of dog tax on dogs described in the receipt for one (1) year from the date of the receipt.

SECTION 185. IC 15-5-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. A **township county** assessor, assessor's designee, or township trustee who:

- (1) fails to perform the duties imposed by this chapter; or
- (2) fails to make a complete report within the time specified in this chapter;

commits a Class C infraction.

SECTION 186. IC 15-5-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. Every person liable to taxation in any **township county** and residing in the **township county** when listed for taxation shall make and subscribe to an oath to the **township county** assessor in which the person states the number of dogs neutered or unneutered over the age of six (6) months and owned or harbored by the person.

SECTION 187. IC 15-5-9-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) At the time when the dog kennel license fee is paid to the **township county** assessor, the assessor, at the time when the assessor issues a receipt, shall likewise furnish to the person a metal tag. The metal tag furnished shall be attached securely to the collar of the dog for which the license fee has been paid and the collar, with the tag attached, shall be worn continuously by the dog.

(b) All license tags shall be of uniform design or color for any one (1) year, but the same color or shape shall not be used for any two (2) consecutive years. All tags shall be designed by the auditor of state, shall be paid for out of the state dog account, and shall be manufactured at the state prison in the same manner as motor vehicle registration plates. Each tag shall have a distinct number and the number of the tag shall appear on the receipt issued to the owner of the dog.

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(c) If any dog tag is lost, it shall be replaced without cost by the **county** assessor upon application by the owner of the dog and upon the production of the receipt and a sworn statement of the facts regarding the loss of the tag. No license tag is transferable to another dog.

SECTION 188. IC 16-33-4-17.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 17.5. (a) **The department of child services shall pay**, in the case of a child who is:

(1) admitted to the home from another county; and

(2) adjudicated to be a delinquent child or child in need of services by the juvenile court in the county where the home is located;

~~the juvenile court may order the county office of family and children of the child's county of residence~~ before the child's admission to the home ~~to reimburse~~ the cost of services ordered by the juvenile court, including related transportation costs, and any cost incurred ~~by the county~~ to transport or detain the child before the order is issued.

(b) ~~A county office of family and children ordered to reimburse costs under this section~~ **The department of child services** shall pay the amount ordered from the ~~county family and children's fund~~ **sources of revenue described in IC 36-33-1.5-13.**

(c) The county office of family and children may require the parent or guardian of the child, other than a parent, guardian, or custodian associated with the home, to reimburse the ~~county family and children's fund~~ **department of child services** for an amount paid under this section.

(d) A child who is admitted to the home does not become a resident of the county where the home is located.

(e) When an unemancipated child is released from the home, the county office of family and children for the child's county of residence before entering the home is responsible for transporting the child to the parent or guardian of the child. If a parent or guardian does not exist for an unemancipated child released from the home, the county office of family and children of the child's county of residence before entering the home shall obtain custody of the child.

SECTION 189. IC 20-26-11-12, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 12. (a) If a student is transferred under section 5 of this chapter from a school corporation in Indiana to a public school corporation in another state, the transferor corporation shall pay the transferee corporation the full tuition fee charged by the transferee corporation. However, the amount of the full tuition fee may not exceed the amount charged by the transferor corporation for the

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same class of school, or if the school does not have the same classification, the amount may not exceed the amount charged by the geographically nearest school corporation in Indiana that has the same classification.

(b) If a child is:

(1) placed by a court order in an out-of-state institution or other facility; and

(2) provided all educational programs and services by a public school corporation in the state where the child is placed, whether at the facility, the public school, or another location;

the ~~county office of family and children for the county placing the child~~ **department of child services** shall pay from the ~~county family and children's fund~~ **sources of revenue described in IC 31-33-1.5-13** to the public school corporation in which the child is enrolled the amount of transfer tuition specified in subsection (c).

(c) The transfer tuition for which a county office is obligated under subsection (b) is equal to the following:

(1) The amount under a written agreement among the ~~county office,~~ **department of child services**, the institution or other facility, and the governing body of the public school corporation in the other state that specifies the amount and method of computing transfer tuition.

(2) The full tuition fee charged by the transferee corporation, if subdivision (1) does not apply. However, the amount of the full tuition fee must not exceed the amount charged by the transferor corporation for the same class of school, or if the school does not have the same classification, the amount must not exceed the amount charged by the geographically nearest school corporation in Indiana that has the same classification.

(d) If a child is:

(1) placed by a court order in an out-of-state institution or other facility; and

(2) provided:

(A) onsite educational programs and services either through the facility's employees or by contract with another person or organization that is not a public school corporation; or

(B) educational programs and services by a nonpublic school;

the ~~county office of family and children for the county placing the child~~ **department of child services** shall pay from the ~~county family and children's fund~~ **sources of revenue described in IC 31-33-1.5-13** in an amount and in the manner specified in a written agreement between the ~~county office~~ **department of child services** and the institution or other

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1 facility.

2 (e) An agreement described in subsection (c) or (d) is subject to the
3 approval of the director of the division of family and children.
4 However, for purposes of IC 4-13-2, the agreement shall not be treated
5 as a contract.

6 SECTION 190. IC 20-26-11-13, AS ADDED BY P.L.1-2005,
7 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JANUARY 1, 2007]: Sec. 13. (a) As used in this section, the following
9 terms have the following meanings:

10 (1) "ADM" means the following:

11 (A) For purposes of allocating to a transfer student state
12 distributions under IC 21-1-30 (primetime), "ADM" as
13 computed under IC 21-1-30-2.

14 (B) For all other purposes, "ADM" as set forth in
15 IC 21-3-1.6-1.1.

16 (2) "Class of school" refers to a classification of each school or
17 program in the transferee corporation by the grades or special
18 programs taught at the school. Generally, these classifications are
19 denominated as kindergarten, elementary school, middle school
20 or junior high school, high school, and special schools or classes,
21 such as schools or classes for special education, vocational
22 training, or career education.

23 (3) "Special equipment" means equipment that during a school
24 year:

25 (A) is used only when a child with disabilities is attending
26 school;

27 (B) is not used to transport a child to or from a place where the
28 child is attending school;

29 (C) is necessary for the education of each child with
30 disabilities that uses the equipment, as determined under the
31 individualized education program for the child; and

32 (D) is not used for or by any child who is not a child with
33 disabilities.

34 (4) "Student enrollment" means the following:

35 (A) The total number of students in kindergarten through
36 grade 12 who are enrolled in a transferee school corporation
37 on a date determined by the state board.

38 (B) The total number of students enrolled in a class of school
39 in a transferee school corporation on a date determined by the
40 state board.

41 However, a kindergarten student shall be counted under clauses
42 (A) and (B) as one-half (1/2) student. The state board may select

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a different date for counts under this subdivision. However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 6 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

STEP ONE: Allocate to each transfer student the capital expenditures for any special equipment used by the transfer student and a proportionate share of the operating costs incurred by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause (C), the calendar year in which the school year ends:

(A) The following state distributions that are computed in any part using ADM or other student count in which the student is included:

- (i) Primetime grant under IC 21-1-30.
- (ii) Tuition support for basic programs.
- ~~(iii) Enrollment growth grant under IC 21-3-1.7-9.5.~~
- ~~(iv) At-risk grant under IC 21-3-1.7-9.7.~~
- ~~(v) (iii) Academic honors diploma award under IC 21-3-1.7-9.8.~~
- ~~(vi) (iv) Vocational education grant under IC 21-3-12.~~
- ~~(vii) (v) Special education grant under IC 21-3-2.1.~~
- ~~(viii) The portion of the ADA flat grant that is available for the payment of general operating expenses under IC 21-3-4.5-2(b)(1).~~

(B) Property tax levies.

(C) Excise tax revenue (as defined in IC 21-3-1.7-2) received for deposit in the calendar year in which the school year begins.

(D) Allocations to the transferee school under IC 6-3.5.

STEP THREE: Determine the greater of:

- (A) zero (0); or
- (B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

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If a child is placed in an institution or facility in Indiana under a court order, the institution or facility shall charge the ~~county office of the county of the student's legal settlement under IC 12-19-7~~ **department of child services** for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transferee corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

- (1) capital outlay;
- (2) debt service;
- (3) costs of transportation;
- (4) salaries of board members;
- (5) contracted service for legal expenses; and
- (6) any expenditure that is made out of the general fund from extracurricular account receipts;

for the school year.

(d) The capital cost of special equipment for a school year is equal to:

- (1) the cost of the special equipment; divided by
- (2) the product of:
 - (A) the useful life of the special equipment, as determined under the rules adopted by the state board; multiplied by
 - (B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the student enrollment of each class in the transferee corporation compared with the total student enrollment in the school corporation.

(f) Operating costs shall be allocated to a transfer student for each school year by dividing:

- (1) the transferee school corporation's operating costs for the class of school in which the transfer student is enrolled; by
- (2) the student enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of student attendance, the transfer tuition shall be calculated by the part of the school year for which the

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transferred student is enrolled. A school year of student attendance consists of the number of days school is in session for student attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. If an agreement cannot be reached, the amount shall be determined by the state board, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:

- (1) the total amount of revenues received; by
- (2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state distributions under IC 21-1-30, IC 21-3-2.1, IC 21-3-12, or any other statute that computes the amount of a state distribution using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the student count used to compute the state distribution.

(h) Instead of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. The contract may:

- (1) be entered into for a period of not more than five (5) years with an option to renew;
- (2) specify a maximum number of students to be transferred; and
- (3) fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 14 of this chapter.

(i) If the school corporation can meet the requirements of ~~IC 21-1-30-5~~, **IC 21-1-30-5.5**, it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may:

- (1) be for one (1) year or longer; and
- (2) fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 14 of

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1 this chapter.

2 A school corporation may not transfer a student under this section
3 without the prior approval of the child's parent.

4 (j) If a school corporation experiences a net financial impact with
5 regard to transfer tuition that is negative for a particular school year as
6 described in IC 6-1.1-19-5.1, the school corporation may appeal for an
7 excessive levy as provided under IC 6-1.1-19-5.1.

8 SECTION 191. IC 20-33-2-29, AS ADDED BY P.L.1-2005,
9 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JANUARY 1, 2007]: Sec. 29. (a) It is unlawful for a person operating
11 or responsible for:

12 (1) an educational;

13 (2) a correctional;

14 (3) a charitable; or

15 (4) a benevolent institution or training school;

16 to fail to ensure that a child under the person's authority attends school
17 as required under this chapter. Each day of violation of this section
18 constitutes a separate offense.

19 (b) If a child is placed in an institution or facility under a court
20 order, the institution or facility shall charge the ~~county office of family~~
21 ~~and children of the county of the child's legal settlement under~~
22 ~~IC 12-19-7~~ **department of child services** for the use of the space
23 within the institution or facility (commonly called capital costs) that is
24 used to provide educational services to the child based upon a prorated
25 per child cost.

26 SECTION 192. IC 25-34.1-3-8 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) This section does
28 not preclude a person who:

29 (1) is not licensed or certified as a real estate appraiser under this
30 section; and

31 (2) is licensed as a broker under this article;

32 from appraising real estate in Indiana for compensation.

33 (b) As used in this section, "federal act" refers to Title XI of the
34 Financial Institutions Reform, Recovery, and Enforcement Act (12
35 U.S.C. 3331 through 3351).

36 (c) The commission shall adopt rules to establish a real estate
37 appraiser licensure and certification program to be administered by the
38 board.

39 (d) The commission may not adopt rules under this section except
40 upon the action and written recommendations of the board under
41 IC 25-34.1-8-6.

42 (e) The real estate appraiser licensure and certification program

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established by the commission under this section must meet the requirements of:

- (1) the federal act;
- (2) any federal regulations adopted under the federal act; and
- (3) any other requirements established by the commission as recommended by the board, including requirements for education, experience, examination, reciprocity, and temporary practice.

(f) The real estate appraiser licensure and certification requirements established by the commission under this section must require a person to meet the standards for real estate appraiser certification and licensure established:

- (1) under the federal act;
- (2) by federal regulations; and
- (3) any other requirements established by the commission as recommended by the board, including requirements for education, experience, examination, reciprocity, and temporary practice.

(g) The commission may require continuing education as a condition of renewal for real estate appraiser licensure and certification.

(h) The following are not required to be a licensed or certified real estate appraiser to perform the requirements of IC 6-1.1-4:

- (1) A county assessor. ~~who holds office under IC 36-2-15.~~
- (2) ~~A township assessor who holds office under IC 36-6-5.~~
- (3) (2) An individual employed by an officer described in subdivision (1) or (2): employee of a county assessor.**

(i) Notwithstanding IC 25-34.1-3-2(a):

- (1) only a person who receives a license or certificate issued under the real estate appraiser licensure and certification program established under this section may appraise real estate involved in transactions governed by:

(A) the federal act; and

(B) any regulations adopted under the federal act;

as determined under rules adopted by the commission, as recommended by the board; and

- (2) a person who receives a license or certificate issued under the real estate appraiser licensure and certification program established under this section may appraise real estate not involved in transactions governed by:

(A) the federal act; and

(B) any regulations adopted under the federal act;

as determined under rules adopted by the commission, as recommended by the board.

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SECTION 193. IC 31-9-2-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 9.5. "Appropriate dispositional plan", for purposes of IC 31-30 through IC 31-40, means the plan of care, treatment, rehabilitation, or placement recommended by a caseworker in the:**

(1) **predispositional report required under IC 31-34-18-1; or**

(2) **modification report required under IC 31-34-22-1.**

SECTION 194. IC 31-9-2-9.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 9.7. "Appropriate services", for purposes of IC 31-40, means services provided pursuant to an appropriate dispositional plan.**

SECTION 195. IC 31-9-2-17.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 17.4. "Child services" has the meaning set forth in IC 12-19-7-1.**

SECTION 196. IC 31-9-2-17.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 17.7. "Children's psychiatric residential treatment services" has the meaning set forth in IC 12-19-7.5-1.**

SECTION 197. IC 31-9-2-120.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 120.4. "State fund" refers to the state family and children's fund established by IC 31-33-1.5-13.**

SECTION 198. IC 31-31-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) The juvenile court may establish juvenile detention and shelter care facilities for children, except as provided by IC 31-31-9.

(b) The court may contract with other agencies to provide juvenile detention and shelter care facilities.

(c) If the juvenile court operates the juvenile detention and shelter care facilities, the judge shall appoint staff and determine the budgets.

(d) The county shall pay all expenses. The expenses for the juvenile detention facility shall be paid from the county general fund. ~~Payment of the expenses for the juvenile detention facility may not be paid from the county family and children's fund established by IC 12-19-7-3.~~

SECTION 199. IC 31-31-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) This section applies to a county having a population of more than one hundred ten

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thousand (110,000) but less than one hundred fifteen thousand (115,000).

(b) Notwithstanding section 3 of this chapter, the juvenile court shall operate a juvenile detention facility or juvenile shelter care facility established in the county. However, the county legislative body shall determine the budget for the juvenile detention facility or juvenile shelter care facility. The expenses for the juvenile detention facility shall be paid from the county general fund. ~~Payment of the expenses for the juvenile detention facility may not be paid from the county family and children's fund established by IC 12-19-7-3.~~

SECTION 200. IC 31-33-1.5-7, AS ADDED BY P.L.234-2005, SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 7. **(a) Except as provided in subsection (b)** the department is responsible for the following:

- (1) Providing child protection services under this article.
- (2) Providing and administering child abuse and neglect prevention services.
- (3) Providing and administering child services; ~~(as defined in IC 12-19-7-1);~~
- (4) Providing and administering family services (as defined in IC 31-9-2-45).
- (5) Providing family preservation services under IC 12-14-25.5.
- (6) Regulating and licensing the following under IC 12-17.4:
 - (A) Child caring institutions.
 - (B) Foster family homes.
 - (C) Group homes.
 - (D) Child placing agencies.
- (7) Administering the state's plan for the administration of Title IV-D of the federal Social Security Act (42 U.S.C. 651 et seq.).
- (8) Administering foster care services.
- (9) Administering independent living services (as described in 42 U.S.C. 677 et seq.).
- (10) Administering adoption services.

(b) The department is not responsible for providing or administering any of the services described in subsection (a) for a county that are:

- (1) child services; and**
- (2) ordered by a juvenile court:**
 - (A) under IC 31-37; and**
 - (B) for a child who has not been adjudicated as a child in need of services;**

except as provided under a contract between the department and

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1 **the county's fiscal body. A county shall reimburse the department**
 2 **for child services provided under a contract under this subsection**
 3 **from the county's probation services fund.**

4 SECTION 201. IC 31-33-1.5-10, AS ADDED BY P.L.234-2005,
 5 SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JANUARY 1, 2007]: Sec. 10. (a) The department ~~may~~ **shall** establish
 7 a program to procure ~~any of~~ the services described in section 7 of this
 8 chapter under a procurement agreement administered by the
 9 department. The department may enter into procurement agreements
 10 that cover the delivery of one (1) or more categories of services to all
 11 the counties in a region determined by the department. An agreement
 12 may provide for payment from state funds appropriated for the purpose.
 13 ~~or direct billing of services to the county receiving the service.~~

14 (b) ~~If the department enters into a procurement agreement covering~~
 15 ~~a county; the~~ A county, including the county's juvenile court, shall
 16 procure all services covered by the procurement agreement in
 17 accordance with the ~~regional~~ procurement agreement and the policies
 18 prescribed by the department. With the approval of the department, a
 19 county may use services from an alternate provider.

20 (c) ~~The costs incurred under a procurement agreement shall be~~
 21 ~~shared by the counties covered by the procurement agreement. The~~
 22 ~~department shall allocate the costs of a regional procurement~~
 23 ~~agreement among the counties covered by the agreement in proportion~~
 24 ~~to the use of the services by each county under the schedule prescribed~~
 25 ~~by the department. A county shall pay the costs incurred under a~~
 26 ~~procurement agreement from the:~~

27 (1) family and children's fund; or

28 (2) children's psychiatric residential treatment services fund;
 29 as appropriate.

30 (d) ~~If the department pays the costs incurred under a procurement~~
 31 ~~contract from state funds appropriated for the purpose; the department~~
 32 ~~shall present a claim for reimbursement to the appropriate county~~
 33 ~~auditor. The county executive shall review and allow the full amount~~
 34 ~~of the claim in the manner provided in IC 36-2-6.~~

35 SECTION 202. IC 31-33-1.5-13 IS ADDED TO THE INDIANA
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2007]: Sec. 13. (a) **The state family and**
 38 **children's fund is established. The department shall administer the**
 39 **fund.**

40 (b) **The state fund consists of the following:**

41 (1) **The money transferred to the state fund from each of the**
 42 **county's family and children's funds under IC 12-19-7-35,**

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including amounts paid under IC 31-40-1-2 to the state by a county to reimburse the state for the costs of services order by a juvenile court.

(2) The money transferred to the state fund from each of the county's children's psychiatric residential treatment services fund under IC 12-19-7.5-34.

(3) Any fees or costs paid to the state by a child's parent or guardian under a support order or reimbursement order under IC 31-40-1.

(4) Any contributions to the state fund from individuals, corporations, foundations, or others for the purpose of providing child services.

(5) Any appropriations made to the state fund by the general assembly. However, this section does not obligate the general assembly to appropriate money to the state fund.

(6) Any other money deposited or required by law to be deposited in the fund.

(c) The department of child services shall pay the following from the state fund:

(1) Expenses and obligations incurred by the department of child services in the payment of child services for children adjudicated to be children in need of services and other related services, but not including the payment of TANF.

(2) Expenses and obligations incurred by the division of family resources in the payment of children's psychiatric residential treatment services for children who are residents of Indiana to the extent that money is deposited in the fund under IC 12-19-7.5-34.

(3) Any other expenditures for services described in section 7 of this chapter or a procurement contract described in section 10 of this chapter.

(4) Any expense of the type that was payable from a county family and children's fund or children's psychiatric residential treatment services fund before January 1, 2007, except child services payable from a probation services fund under IC 31-40-5.

(5) Any other expense or obligation that is required to be paid from the state fund by law.

(d) The department may use money in the fund to settle the relative obligations of a county and the department of child services for child services or children's psychiatric residential treatment services provided before January 1, 2007.

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(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(f) If an insufficient amount in the fund is available to pay the expenditures payable from the fund, the remainder of the expenditures payable from the fund shall be paid from the state general fund. The state may, as determined by the budget agency, carry out this subsection by a direct charge to the state general fund or by transferring an appropriate amount from the state general fund to the state fund for expenditure from the state fund.

(g) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 203. IC 31-33-1.5-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 14. The office of management and budget shall carry out a program to evaluate the performance of the department of child services. The office of management and budget shall conduct regular reviews of the extent to which the best interests of the children being served by the department of child services is being met. The department of child services shall cooperate with the office of management and budget and provide the office of management and budget with the information that the office of management and budget determines necessary to evaluate the performance of the department of child services.**

SECTION 204. IC 31-33-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 3. (a) Not later than sixty (60) days after receiving the plan, the director shall certify whether the local plan fulfills the purposes and meets the requirements of this article.**

(b) If the director certifies that the local plan does not fulfill the purposes and meet the requirements of this article, the director

~~(1) shall state the reasons for the decision. and~~

~~(2) may withhold state reimbursement for any part of the county office of family and children's activities relating to this article.~~

SECTION 205. IC 31-34-18-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 1. (a) Upon finding that a child is a child in need of services, the juvenile court shall order a probation officer or a caseworker to prepare a predispositional report that contains a:**

(1) statement of the needs of the child for care, treatment, rehabilitation, or placement; and

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(2) recommendation for the care, treatment, rehabilitation, or placement of the child.

(b) Any of the following may prepare an alternative report for consideration by the court:

(1) The child.

(2) The child's:

(A) parent;

(B) guardian;

(C) guardian ad litem;

(D) court appointed special advocate; or

(E) custodian.

SECTION 206. IC 31-34-18-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1.1. (a) The ~~person~~ **caseworker** preparing the report under section 1 of this chapter:

(1) may; or

(2) if directed by the court, shall;

confer with individuals who have expertise in professional areas related to the child's needs in the areas of appropriate care, treatment, rehabilitation, or placement for a child in need of services.

(b) A conference held under this section may include representatives of the following:

(1) The child's school.

(2) The probation department.

(3) The county office of family and children.

(4) A community mental health center located in the child's county of residence.

(5) A community mental retardation and other developmental disabilities center located in the child's county of residence.

(6) Other persons as the court may direct.

SECTION 207. IC 31-34-18-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1.3. (a) The individuals participating in a meeting described in section 1.1 of this chapter shall assist the ~~person~~ **caseworker** preparing the report in recommending the care, treatment, rehabilitation, or placement of the child.

(b) The individuals shall inform the ~~person~~ **caseworker** preparing the report of resources and programs that are available for the child.

SECTION 208. IC 31-34-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. (a) In addition to providing the court with a recommendation for the care, treatment, or rehabilitation of the child, the ~~person~~ **caseworker** preparing the report shall consider the necessity, nature, and extent of the

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1 participation by a parent, guardian, or custodian in a program of care,
2 treatment, or rehabilitation for the child.

3 (b) If a ~~probation officer~~ or caseworker believes that an out-of-home
4 placement would be appropriate for a child in need of services, the
5 ~~probation officer~~ or caseworker shall consider whether the child should
6 be placed with the child's suitable and willing blood or adoptive
7 relative caretaker, including a grandparent, an aunt, an uncle, or an
8 adult sibling, before considering other out-of-home placements for the
9 child.

10 SECTION 209. IC 31-34-18-3 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. The ~~probation~~
12 ~~officer~~ or caseworker shall also prepare a financial report on the parent
13 or the estate of the child to assist the juvenile court in determining the
14 person's financial responsibility for services provided for the child or
15 the person.

16 SECTION 210. IC 31-34-18-4 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. If consistent
18 with the safety and best interest of the child and the community, the
19 ~~person~~ caseworker preparing the report shall recommend care,
20 treatment, rehabilitation, or placement that:

21 (1) is:

22 (A) in the least restrictive (most family like) and most
23 appropriate setting available; and

24 (B) close to the parents' home, consistent with the best interest
25 and special needs of the child;

26 (2) least interferes with family autonomy;

27 (3) is least disruptive of family life;

28 (4) imposes the least restraint on the freedom of the child and the
29 child's parent, guardian, or custodian; and

30 (5) provides a reasonable opportunity for participation by the
31 child's parent, guardian, or custodian.

32 SECTION 211. IC 31-34-18-6.1, AS AMENDED BY P.L.234-2005,
33 SECTION 181, IS AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE JANUARY 1, 2007]: Sec. 6.1. (a) The predispositional
35 report prepared by a ~~probation officer~~ or caseworker shall include the
36 following information:

37 (1) A description of all dispositional options considered in
38 preparing the report.

39 (2) An evaluation of each of the options considered in relation to
40 the plan of care, treatment, rehabilitation, or placement
41 recommended under the guidelines described in section 4 of this
42 chapter.

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(3) A recommendation of an appropriate dispositional plan.

~~(3)~~ **(4)** The name, occupation and position, and any relationship to the child of each person with whom the ~~preparer of~~ **caseworker who prepared** the report conferred as provided in section 1.1 of this chapter.

(b) If a ~~probation officer or a~~ caseworker is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, ~~the a~~ probation officer or ~~the~~ caseworker shall conduct a criminal history check (as defined in IC 31-9-2-22.5) for each person who:

(1) is currently residing in the location designated as the out-of-home placement; or

(2) in the reasonable belief of the probation officer or caseworker, is expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.

The results of the criminal history check must be included in the predispositional report.

(c) A probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the ~~probation officer or~~ caseworker is considering only an out-of-home placement to an entity or facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

SECTION 212. IC 31-34-19-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. **(a)** The juvenile court shall accompany the court's dispositional decree with written findings and conclusions upon the record concerning the following:

(1) The needs of the child for care, treatment, rehabilitation, or placement.

(2) The need for participation by the parent, guardian, or custodian in the plan of care for the child.

(3) Efforts made, if the child is a child in need of services, to:

(A) prevent the child's removal from; or

(B) reunite the child with;

the child's parent, guardian, or custodian in accordance with federal law.

(4) Family services that were offered and provided to:

(A) a child in need of services; or

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(B) the child's parent, guardian, or custodian;

in accordance with federal law.

(5) The court's reasons for the disposition.

(b) If the juvenile court issues a dispositional decree that departs from the appropriate dispositional plan, the juvenile court shall include written findings describing:

(1) the juvenile court's reasons for departing from the appropriate dispositional plan; and

(2) the additional expense for child services, if any, that the court's dispositional decree will incur as compared to the cost of the appropriate dispositional plan.

SECTION 213. IC 31-34-20-1.5, AS AMENDED BY P.L.234-2005, SECTION 183, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1.5. (a) Except as provided in subsection (d) the juvenile court may not enter a dispositional decree placing a child in another home under section 1(3) of this chapter or awarding wardship to a county office of family and children that will place the child with a person under section 1(4) of this chapter if a person who is:

(1) currently residing in the home in which the child would be placed under section 1(3) or 1(4) of this chapter; or

(2) reasonably expected to be residing in the home in which the child would be placed under section 1(3) or 1(4) of this chapter during the time the child would be placed in the home;

has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order ~~the~~ a probation officer or the caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-34-4-2 or IC 31-34-18-6.1 establishes whether a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a

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felony listed in IC 12-17.4-4-11.

(c) ~~A~~ **The** probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the ~~probation officer~~ or caseworker is considering only an out-of-home placement to an entity or a facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

(d) A court may enter a dispositional decree placing a child in another home or award wardship to a county office of family and children if:

(1) a person described in subsection (a)(1) or (a)(2) has:

(A) committed an act resulting in a substantiated report of child abuse or neglect; or

(B) been convicted or had a juvenile adjudication for:

(i) reckless homicide (IC 35-42-1-5);

(ii) battery (IC 35-42-2-1) as a Class C or D felony;

(iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;

(iv) arson (IC 35-43-1-1) as a Class C or D felony;

(v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;

(vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or

(vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and

(2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that the dispositional decree placing a child in another home or awarding wardship to a county office of family and children is in the best interest of the child.

However, a court may not enter a dispositional decree placing a child in another home or award wardship to a county office of family and children if the person has been convicted of a felony listed in IC 12-17.4-4-11 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(d) In making its written finding under subsection (d), the court

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shall consider the following:

- (1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.
- (2) The severity of the offense, delinquent act, or abuse or neglect.
- (3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 214. IC 31-34-21-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. (a) At any time after the date of an original dispositional decree, the juvenile court may order

- ~~(1) the county office of family and children or~~
- ~~(2) the probation department;~~

to file a report on the progress made in implementing the decree.

(b) If, after reviewing the report, the juvenile court seeks to consider modification of the dispositional decree, the juvenile court shall proceed under IC 31-34-23.

SECTION 215. IC 31-34-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. Before a case review under section 2 of this chapter, ~~the probation department or~~ the county office of family and children shall prepare a report in accordance with IC 31-34-22 on the progress made in implementing the dispositional decree.

SECTION 216. IC 31-34-21-7.5, AS AMENDED BY P.L.234-2005, SECTION 184, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 7.5. (a) Except as provided in subsection (d), the juvenile court may not approve a permanency plan under subsection (c)(1)(D), (c)(1)(E), or (c)(1)(F) if a person who is currently residing with a person described in subsection (c)(1)(D) or (c)(1)(E) or in a residence in which the child would be placed under subsection (c)(1)(F) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order ~~the a~~ probation officer or ~~the~~ caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order

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a criminal history check under this section if criminal history information under IC 31-34-4-2, IC 31-34-18-6.1, or IC 31-34-20-1.5 establishes whether a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(c) A permanency plan under this chapter includes the following:

(1) The intended permanent or long term arrangements for care and custody of the child that may include any of the following arrangements that the court considers most appropriate and consistent with the best interests of the child:

(A) Return to or continuation of existing custodial care within the home of the child's parent, guardian, or custodian or placement of the child with the child's noncustodial parent.

(B) Initiation of a proceeding by the agency or appropriate person for termination of the parent-child relationship under IC 31-35.

(C) Placement of the child for adoption.

(D) Placement of the child with a responsible person, including:

(i) an adult sibling;

(ii) a grandparent;

(iii) an aunt;

(iv) an uncle; or

(v) another relative;

who is able and willing to act as the child's permanent custodian and carry out the responsibilities required by the permanency plan.

(E) Appointment of a legal guardian. The legal guardian appointed under this section is a caretaker in a judicially created relationship between the child and caretaker that is intended to be permanent and self-sustaining as evidenced by the transfer to the caretaker of the following parental rights with respect to the child:

(i) Care, custody, and control of the child.

(ii) Decision making concerning the child's upbringing.

(F) Placement of the child in another planned, permanent living arrangement.

(2) A time schedule for implementing the applicable provisions of the permanency plan.

(3) Provisions for temporary or interim arrangements for care and

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1 custody of the child, pending completion of implementation of the
2 permanency plan.

3 (4) Other items required to be included in a case plan under
4 IC 31-34-15 or federal law, consistent with the permanent or long
5 term arrangements described by the permanency plan.

6 (d) A juvenile court may approve a permanency plan if:

7 (1) a person described in subsection (a) has:

8 (A) committed an act resulting in a substantiated report of
9 child abuse or neglect; or

10 (B) been convicted or had a juvenile adjudication for:

11 (i) reckless homicide (IC 35-42-1-5);

12 (ii) battery (IC 35-42-2-1) as a Class C or D felony;

13 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D
14 felony;

15 (iv) arson (IC 35-43-1-1) as a Class C or D felony;

16 (v) a felony involving a weapon under IC 35-47 or
17 IC 35-47.5 as a Class C or D felony;

18 (vi) a felony relating to controlled substances under
19 IC 35-48-4 as a Class C or D felony; or

20 (vii) a felony that is substantially equivalent to a felony
21 listed in items (i) through (vi) for which the conviction was
22 entered in another state; and

23 (2) the court makes a written finding that the person's commission
24 of the offense, delinquent act, or act of abuse or neglect described
25 in subdivision (1) is not relevant to the person's present ability to
26 care for a child, and that approval of the permanency plan is in the
27 best interest of the child.

28 However, a court may not approve a permanency plan if the person has
29 been convicted of a felony listed in IC 12-17.4-4-11 that is not
30 specifically excluded under subdivision (1)(B), or has a juvenile
31 adjudication for an act that would be a felony listed in IC 12-17.4-4-11
32 if committed by an adult that is not specifically excluded under
33 subdivision (1)(B).

34 (e) In making its written finding under subsection (d), the court shall
35 consider the following:

36 (1) The length of time since the person committed the offense,
37 delinquent act, or act that resulted in the substantiated report of
38 abuse or neglect.

39 (2) The severity of the offense, delinquent act, or abuse or neglect.

40 (3) Evidence of the person's rehabilitation, including the person's
41 cooperation with a treatment plan, if applicable.

42 SECTION 217. IC 31-34-21-8 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 8. Before a
 2 hearing under section 7 of this chapter, ~~the probation department or the~~
 3 county office of family and children shall prepare a report in
 4 accordance with IC 31-34-22 on the progress made in implementing
 5 the dispositional decree.

6 SECTION 218. IC 31-34-22-1 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. (a) Before a
 8 case review under IC 31-34-21-2 or hearing under IC 31-34-21-7, ~~the~~
 9 ~~probation department or the~~ county office of family and children shall
 10 prepare a report on the progress made in implementing the
 11 dispositional decree, including the progress made in rehabilitating the
 12 child, preventing placement out-of-home, or reuniting the family.

13 (b) Before preparing the report required by subsection (a), ~~the~~
 14 ~~probation department or the~~ county office of family and children shall
 15 consult a foster parent of the child about the child's progress made
 16 while in the foster parent's care.

17 (c) If modification of the dispositional decree is recommended, ~~the~~
 18 ~~probation department or the~~ county office of family and children shall
 19 prepare a modification report containing the information required by
 20 IC 31-34-18 and request a formal court hearing.

21 SECTION 219. IC 31-34-22-2, AS AMENDED BY P.L.129-2005,
 22 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JANUARY 1, 2007]: Sec. 2. (a) Except as provided in subsection (b),
 24 a report prepared by ~~the state~~ **a caseworker**:

25 (1) for the juvenile court's review of the court's dispositional
 26 decree; or

27 (2) prepared for use at a periodic case review under IC 31-34-21-2
 28 or hearing under IC 31-34-21-7;

29 shall be made available to the child and the child's parent, guardian,
 30 guardian ad litem, court appointed special advocate, or custodian
 31 within a reasonable time after the report's presentation to the court or
 32 before the hearing.

33 (b) If the court determines on the record that the report contains
 34 information that should not be released to the child or the child's
 35 parent, guardian, or custodian, the court shall provide a copy of the
 36 report to the following:

37 (1) Each attorney or guardian ad litem representing the child.

38 (2) Each attorney representing the child's parent, guardian, or
 39 custodian.

40 (3) Each court appointed special advocate.

41 (c) The court may also provide a factual summary of the report to
 42 the child or the child's parent, guardian, or custodian.

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(d) In addition to the requirements of subsection (a), any report prepared by ~~the state~~ **a caseworker** for the juvenile court's review shall also be made available to any court appointed special advocate within the same time period and in the same manner as required in the case of a parent under subsection (a). However, if under subsection (a) the court determines on the record that the report contains information that should not be released to the parent, the court shall still provide a copy of the report to any court appointed special advocate.

SECTION 220. IC 31-34-23-1, AS AMENDED BY P.L.129-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. **(a)** While the juvenile court retains jurisdiction under IC 31-30-2, the juvenile court may modify any dispositional decree:

- (1) upon the juvenile court's own motion;
- (2) upon the motion of:
 - (A) the child;
 - (B) the child's:
 - (i) parent;
 - (ii) guardian;
 - (iii) custodian;
 - (iv) court appointed special advocate; or
 - (v) guardian ad litem;
 - (C) the probation officer;
 - (D) the caseworker;
 - (E) the prosecuting attorney; or
 - (F) the attorney for the county office of family and children; or
- (3) upon the motion of any person providing services to the child or to the child's parent, guardian, or custodian under a decree of the court.

(b) If the juvenile court modifies a dispositional decree under this section in a manner that departs from the appropriate disposition plan recommendations contained in a modification report prepared in accordance with IC 31-34-22-1 (including modifying a dispositional decree when no modification is recommended), the juvenile court shall make written findings describing:

- (1) the juvenile court's reasons for departing from the modification report; and**
- (2) the additional expense of child services, if any, that the court's dispositional decree will incur as compared to the cost of treatment described in the modification report.**

SECTION 221. IC 31-34-23-3 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) If the
 2 petitioner requests an emergency change in the child's residence, the
 3 court may issue a temporary order. However, the court shall then give
 4 notice to the persons affected and shall hold a hearing on the question
 5 if requested.

6 (b) **If the temporary order is inconsistent with the appropriate**
 7 **dispositional plan or if** the petition requests any other modification,
 8 the court shall give notice to the persons affected and may hold a
 9 hearing on the question.

10 SECTION 222. IC 31-34-24-8, AS AMENDED BY P.L.1-2005,
 11 SECTION 208, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JANUARY 1, 2007]: Sec. 8. In preparing the plan, the
 13 team shall review and consider existing publicly and privately funded
 14 programs that are available or that could be made available in the
 15 county to provide supportive services to or for the benefit of children
 16 described in section 3 of this chapter without removing the child from
 17 the family home, including programs funded through the following:

- 18 (1) Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.).
- 19 (2) Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.).
- 20 (3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).
- 21 (4) The Child Abuse Prevention and Treatment Act (42 U.S.C.
- 22 5106 et seq.).
- 23 (5) Community corrections programs under IC 11-12.
- 24 (6) Special education programs under IC 20-35-6-2.
- 25 (7) All programs designed to prevent child abuse, neglect, or
- 26 delinquency, or to enhance child welfare and family preservation
- 27 administered by, or through funding provided by, the division of
- 28 family and children, county offices, prosecutors, or juvenile
- 29 courts, including programs funded under ~~IC 12-19-7~~ and
- 30 IC 31-40.
- 31 (8) Probation user's fees under IC 31-40-2-1.
- 32 (9) Child advocacy fund under IC 12-17-17.

33 SECTION 223. IC 31-34-24-13 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 13. (a) Upon
 35 receiving the initial plan and each revised or updated plan, the ~~county~~
 36 ~~fiscal body~~ **department of child services** shall consider the plan. ~~in~~
 37 ~~developing the family and children's fund budget.~~

38 (b) The ~~county fiscal body~~ **department of child services** may
 39 ~~appropriate from the family and children's fund any amounts necessary~~
 40 **use money from the sources described in IC 31-33-1.5-13** to provide
 41 funding to implement the plan.

42 SECTION 224. IC 31-40-1-1 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. This article applies to a financial burden sustained by a county **or the state**, as the result of costs paid by the county under section 2 of this chapter **(as effective December 31, 2006) and the county or state under section 2 of this chapter (as effective after December 31, 2006)**, including costs resulting from the institutional placement of a child adjudicated a delinquent child or a child in need of services **and the amount of any charge back to a county under section 2 of this chapter.**

SECTION 225. IC 31-40-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. (a) The county shall pay from the county ~~family and children's~~ **probation services** fund the cost of:

(1) probation services;

~~(+)~~ **(2) except as provided in subsection (c)(2), any services ordered by the juvenile court for any child or the child's parent, guardian, or custodian, other than secure detention, under IC 31-37; and**

~~(2)~~ **(3) returning a child under IC 31-37-23; and**

(4) any service ordered by the juvenile court for any child or the child's parent, guardian, or custodian that is not otherwise payable from another fund under this section or another law.

(b) The county shall pay from the county general fund the cost of secure detention.

(c) The department of child services shall pay from the state family and children's fund or other money appropriated to the department of child services the cost of child services, other than probation services and secure detention, ordered by the juvenile court for any child or the child's parent, guardian, or custodian under:

(1) IC 31-34; or

(2) IC 31-37, if the child has been adjudicated as a child in need of services.

(d) The county shall reimburse the state family and children's fund from the county family and children's fund for the cost of child services children, other than secure detention or probation services, that:

(1) are ordered by the juvenile court in a dispositional order, modification, or other decree under IC 31-34 for any child or the child's parent, guardian, or custodian; and

(2) are not designate as appropriate services in an appropriate dispositional plan.

If the department of child services pays costs that are eligible for

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1 reimbursement under this subsection, the department shall charge
 2 back the costs to the county ordering the services and present a
 3 claim for reimbursement to the appropriate county auditor. The
 4 county executive shall review and allow the full amount of the
 5 claim in the manner provided in IC 36-2-6.

6 ~~(b)~~ (e) The county fiscal body shall provide sufficient money to
 7 meet the court's requirements **described under subsections (a), (b),**
 8 **and (d). The department of child services shall provide sufficient**
 9 **money to meet the court's requirements described in subsection (c).**

10 SECTION 226. IC 31-40-1-3 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) A parent or
 12 guardian of the estate of a child adjudicated a delinquent child or a
 13 child in need of services is financially responsible as provided in this
 14 chapter (or IC 31-6-4-18(e) before its repeal) for any services ordered
 15 by the court.

16 (b) Each parent of a child alleged to be a child in need of services
 17 or alleged to be a delinquent child shall, before a dispositional hearing,
 18 furnish the court with an accurately completed and current child
 19 support obligation worksheet on the same form that is prescribed by the
 20 Indiana supreme court for child support orders.

21 (c) At:

- 22 (1) a detention hearing;
- 23 (2) a hearing that is held after the payment of costs by a county
- 24 under section 2 of this chapter (or IC 31-6-4-18(b) before its
- 25 repeal);
- 26 (3) the dispositional hearing; or
- 27 (4) any other hearing to consider modification of a dispositional
- 28 decree;

29 the juvenile court shall order the child's parents or the guardian of the
 30 child's estate to pay for, or reimburse the county **or the department of**
 31 **child services, as appropriate**, for the cost of services provided to the
 32 child or the parent or guardian unless the court finds that the parent or
 33 guardian is unable to pay or that justice would not be served by
 34 ordering payment from the parent or guardian.

35 SECTION 227. IC 31-40-1-4 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. The parent or
 37 guardian of the estate of any child returned to Indiana under the
 38 interstate compact on juveniles under IC 31-37-23 shall reimburse the
 39 county for all costs involved in returning the child that the court orders
 40 the parent or guardian to pay under section 3 of this chapter (or
 41 IC 31-6-4-18(e) before its repeal) whether or not the child has been
 42 adjudicated a delinquent child or a child in need of services.

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SECTION 228. IC 31-40-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5. (a) This section applies whenever the court orders or approves removal of a child from the home of a child's parent or guardian and placement of the child in a child caring institution (as defined in IC 12-7-2-29), a foster family home (as defined in IC 12-7-2-90), or the home of a relative of the child that is not a foster family home.

(b) If an existing support order is in effect the court shall order the support payments to be assigned to the ~~county office~~ **appropriate party** for the duration of the placement out of the home of the child's parent or guardian. The court shall notify the court that:

(1) entered the existing support order; or

(2) had jurisdiction, immediately before the placement, to modify or enforce the existing support order;

of the assignment and assumption of jurisdiction by the juvenile court under this section.

(c) If an existing support order is not in effect, the court shall do the following:

(1) Include in the order for removal or placement of the child an assignment to the ~~county office~~; **appropriate party** or confirmation of an assignment that occurs or is required under applicable federal law, of any rights to support, including support for the cost of any medical care payable by the state under IC 12-15, from any parent or guardian who has a legal obligation to support the child.

(2) Order support paid to the ~~county office~~ **appropriate party** by each of the child's parents or the guardians of the child's estate to be based on child support guidelines adopted by the Indiana supreme court and for the duration of the placement of the child out of the home of the child's parent or guardian, unless:

(A) the court finds that entry of an order based on the child support guidelines would be unjust or inappropriate considering the best interests of the child and other necessary obligations of the child's family; or

(B) the ~~county office~~ **appropriate party** does not make foster care maintenance payments to the custodian of the child. For purposes of this clause, "foster care maintenance payments" means any payments for ~~the cost of (in whole or in part) and~~ the cost of providing food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable amounts for travel to the child's home for visitation. In the case of a child

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1 caring institution, the term also includes the reasonable costs
 2 of administration and operation of the institution as are
 3 necessary to provide the items described in this clause.

4 (3) If the court:

5 (A) does not enter a support order; or

6 (B) enters an order that is not based on the child support
 7 guidelines;

8 the court shall make findings as required by 45 CFR 302.56(g).

9 (d) Payments in accordance with a support order assigned under
 10 subsection (b) or entered under subsection (c) (or IC 31-6-4-18(f)
 11 before its repeal) shall be paid through the clerk of the circuit court as
 12 trustee for remittance to the ~~county office~~ **appropriate party**.

13 (e) The Title IV-D agency shall establish, modify, or enforce a
 14 support order assigned or entered by a court under this section in
 15 accordance with IC 12-17-2 and 42 U.S.C. 654. The county office shall,
 16 if requested, assist the Title IV-D agency in performing its duties under
 17 this subsection.

18 (f) If the juvenile court terminates placement of a child out of the
 19 home of the child's parent or guardian, the court shall:

20 (1) notify the court that:

21 (A) entered a support order assigned to the county office under
 22 subsection (b); or

23 (B) had jurisdiction, immediately before the placement, to
 24 modify or enforce the existing support order;

25 of the termination of jurisdiction of the juvenile court with respect
 26 to the support order;

27 (2) terminate a support order entered under subsection (c) that
 28 requires payment of support by a custodial parent or guardian of
 29 the child, with respect to support obligations that accrue after
 30 termination of the placement; or

31 (3) continue in effect, subject to modification or enforcement by
 32 a court having jurisdiction over the obligor, a support order
 33 entered under subsection (c) that requires payment of support by
 34 a noncustodial parent or guardian of the estate of the child.

35 (g) The court may at or after a hearing described in section 3 of this
 36 chapter order the child's parent or the guardian of the child's estate to
 37 reimburse:

38 **(1) the probation services fund for all or any portion of the**
 39 **expenses for services provided to or for the benefit of the child**
 40 **that are paid or reimbursed from the probation services fund;**

41 **(2) the county office family and children's fund** for all or any
 42 portion of the expenses for services provided to or for the benefit

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of the child that are paid **or reimbursed** from the county family and children's fund; **and**

(3) the state family and children's fund if subdivision (1) does not apply, the department of child services for all or any portion of the expenses for services provided to or for the benefit of the child that are paid from the state family and children's fund or paid by another state agency and not reimbursed by the county;

during the placement of the child out of the home of the parent or guardian, in addition to amounts reimbursed through payments in accordance with a support order assigned or entered as provided in this section, subject to applicable federal law.

(h) For the purposes of this section, the appropriate party to whom a support order must be paid is the department of child services when services are payable by the department of child services or another agency of the state and the probation department when services are payable from the probation services fund.

SECTION 229. IC 31-40-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6. (a) The division ~~with the approval of the county fiscal body; or the~~ **department of child services** may contract with any of the following, on terms and conditions with respect to compensation and payment or reimbursement of expenses as the division **or department of child services** may determine, for the enforcement and collection of any parental reimbursement obligation established by order entered by the court under section 3 or 5(g) of this chapter **that is payable to the state family and children's fund:**

(1) The prosecuting attorney of the county that paid the cost of the services ordered by the court, as provided in section 2 of this chapter **(as effective on December 31, 2006) and the prosecuting attorney of the county where the child resides for the costs of services ordered by the court as provided in section 2 of this chapter (as effective after December 31, 2006).**

(2) An attorney for the ~~county office that paid the cost of services ordered by the court;~~ **division or department of child services,** if the attorney is not an employee of the ~~county office~~ **department of child services** or the division.

(3) An attorney licensed to practice law in Indiana.

(b) A contract entered into under this section is subject to approval under IC 4-13-2-14.1.

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(c) Any fee payable to a prosecuting attorney under a contract under subsection (a)(1) shall be deposited in the county general fund and credited to a separate account identified as the prosecuting attorney's child services collections account. The prosecuting attorney may expend funds credited to the prosecuting attorney's child services collections account, without appropriation, only for the purpose of supporting and enhancing the functions of the prosecuting attorney in enforcement and collection of parental obligations ~~to reimburse the county family and children's fund~~ **ordered by the court under section 3 or 5(g) of this chapter.**

SECTION 230. IC 31-40-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 7. (a) Amounts received as payment of support or reimbursement of the cost of services paid as provided in this chapter shall be distributed in the following manner:

(1) If any part of the cost of services was paid from federal funds under Title IV Part E of the Social Security Act (42 U.S.C. 671 et seq.), the amounts received shall first be applied as provided in 42 U.S.C. 657 and 45 CFR 302.52.

(2) **Subject to section 3(e) of this chapter,** all amounts remaining after the distributions required by subdivision (1) shall be deposited in:

(1) the probation services fund for services paid from the probation services fund;

(2) the county family and children's fund (established by IC 12-19-7-3) of the county that:

(A) paid the cost of the services if the services were provided before January 1, 2007;

(B) was charged for the services under section 2 of this chapter; or

(3) the state family and children's fund for services paid from the state family and children's fund and not charged back to a county.

(b) Any money deposited in a county family and children's fund under this section shall be reported to the ~~division; department of child services,~~ **department of child services,** in the form and manner prescribed by the ~~division; department of child services,~~ **department of child services,** and ~~shall be applied to the child services budget compiled and adopted by the county director for the next state fiscal year; in accordance with IC 12-19-7-6.~~ **obligations of the county family and children's fund.**

SECTION 231. IC 31-40-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. If the parent or

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guardian of the estate:

(1) defaults in reimbursing the county **or state**; or

(2) fails to pay a fee authorized by this article;

the juvenile court may find the parent or guardian in contempt and enter judgment for the amount due.

SECTION 232. IC 31-40-5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]:

Chapter 5. County Probation Services Fund

Sec. 1. As used in this chapter, "probation services" means the following:

(1) Child services ordered by a juvenile court under IC 31-37 for children who:

(A) are adjudicated to be delinquent children; and

(B) have not been adjudicated to be a child in need of services.

(2) Child services supervised by the juvenile probation department.

(3) Supervision and other services provided by a juvenile probation office.

(4) Any other service ordered by a juvenile court under this title and not otherwise payable from another fund.

The term does not include secure detention in a juvenile detention facility or in a facility under the jurisdiction of the department of correction or other capital or operating costs incurred for a secure juvenile detention facility.

Sec. 2. As used in this chapter, "fund" refers to a probation services fund.

Sec. 3. (a) A probation services fund is established in each county. The fund shall be raised by a separate tax levy that:

(1) is in addition to all other tax levies authorized; and

(2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 5 of this chapter.

(b) The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.

(c) The following shall be paid into the county treasury and constitute the family and children's fund:

(1) All receipts from the tax imposed under this section.

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(2) All grants-in-aid, whether received from the federal government or state government.

(3) Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.

(e) Money in the fund at the end of a budget year does not revert to the county general fund.

Sec. 4. (a) For taxes first due and payable in each year after 2006, each county shall impose a county probation services tax levy equal to the probation services tax levy necessary to pay the costs of the probation services of the county for the next fiscal year.

(b) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

Sec. 5. (a) The judges of the juvenile court in a county shall provide and administer probation services in the county. The judges of the courts with juvenile jurisdiction in the county, after consulting with the department of child services, shall annually compile and adopt a probation services budget, which must be in a form prescribed by the state board of accounts.

(b) The budget must contain an estimate of the amount of money that will be needed by the probation juvenile court's probation department during the ensuing year to defray the expenses and obligations incurred by the probation department in the payment of probation services for children adjudicated to be delinquent children and other related services.

Sec. 6. The budget for probation services shall be considered by the county fiscal body in the same manner as the budget of other county departments are considered.

Sec. 7. In September of each year, at the time provided by law, the county fiscal body shall do the following:

(1) Make the appropriations out of the fund that are:

(A) based on the budget as submitted; and

(B) necessary to pay the probation services of the county for the next year.

(2) Levy a tax in an amount necessary to produce the appropriated money.

Sec. 8. (a) If at any time the chief judge of the juvenile court determines that the fund is exhausted or will be exhausted before the close of a fiscal year, the juvenile court shall prepare an estimate and statement showing the amount of money, in addition

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to the money already made available, that will be necessary to defray the expenses of the probation department and pay the obligations of the probation department, excluding administrative expenses and facilities, supplies, and equipment expenses for the probation department, in the administration of the probation department's activities for the unexpired part of the fiscal year.

(b) The chief judge of the juvenile court shall do the following:

(1) Certify the estimate and statement to the county executive.

(2) File the estimate and statement with the county auditor.

(3) File the estimate and statement with the department of local government finance.

Sec. 9. (a) The county executive shall consider and act upon an estimate and statement under section 8 of this chapter at:

(1) the county executive's regular session immediately following the filing of the estimate and statement; or

(2) a special session that is:

(A) called for the purpose of considering and acting upon the estimate and statement; and

(B) called before the executive's regular session described in subdivision (1).

(b) The county executive shall, for and on behalf of the county, borrow sufficient money to carry out the purposes described in section 8 of this chapter if after consideration of the estimate and statement the county executive finds that the amount of money required, in addition to any money already available, to defray the expenses and pay the obligations of the department in the administration of the county's probation services for the unexpired part of the fiscal year, is greater than the amount of money that may be advanced from the general fund of the county.

(c) If the county executive fails to borrow sufficient money to carry out the purposes under section 8 of this chapter, the chief judge of the juvenile court may appeal to the department of local government finance for a determination. A copy of the appeal must be filed with the county fiscal body. The department of local government finance shall immediately conduct a hearing in the county on an appeal filed under this subsection. If the department of local government finance determines that insufficient money is available to carry out the purposes under section 8 of this chapter, the department of local government finance shall issue an appropriate order. The order may allow the county to reduce its general fund budget and transfer sufficient money to the fund or require the county to borrow money for the fund to carry out the

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purposes under section 8 of this chapter.

Sec. 10. (a) Before making a loan under section 9 of this chapter, the county executive shall record a finding that the amount of money that will be required is greater than the amount of money that may be advanced from the general fund of the county. The finding must:

- (1) set forth the estimated requirements of the juvenile probation office; and
- (2) direct the county auditor to call the county fiscal body into special session for the purpose of considering the making of the loan.

(b) In the notice of the special session of the county fiscal body, the auditor shall include a statement of the estimated amount of the proposed loan.

Sec. 11. (a) In authorizing a loan under section 9 of this chapter, the county fiscal body:

- (1) shall act by ordinance; and
- (2) may adopt the ordinance under this section at a regular meeting without giving special notice if requested by the county executive.

(b) The county fiscal body may:

- (1) finally adopt the ordinance at the meeting at which the ordinance is first presented; or
- (2) adjourn from day to day for further consideration of the ordinance.

(c) The county fiscal body is not required to make an itemized appropriation of the proceeds of the bonds at the time the bonds are issued. Except as provided in section 21 of this chapter, the entire proceeds of the bonds:

- (1) shall be placed in the fund; and
- (2) are periodically subject to appropriation as required by this article.

Sec. 12. An ordinance adopted by the county fiscal body authorizing a loan under this chapter must do the following:

- (1) Authorize the issuance of the bonds of the county to evidence the loan.
- (2) Fix the following:
 - (A) The loan's maximum amount, which may be less than the amount shown by the estimate of the department.
 - (B) The number of semiannual series in which the bonds are payable, which may not exceed twenty (20).

Sec. 13. The following apply to bonds issued under this chapter:

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(1) The bonds shall be issued so that one (1) series will be payable June 30 and one (1) series December 31 of each year in which bonds are payable.

(2) The series must be as nearly equal as possible, considering the following:

(A) The amount of the issue.

(B) The number of serial maturities.

(C) The denominations to be used.

(3) The first series of bonds and the first interest payments must be payable June 30 of the year following the establishing of the annual tax levies immediately following the date of the issue.

(4) The county fiscal body may provide that the first two (2) series of bonds mature in the year following the year in which the bonds were issued if:

(A) issuance of the bonds is authorized by the county fiscal body at the fiscal body's regular meeting held for the purpose of establishing tax levies for the following year; and

(B) provision is made for the payment of the bonds and interest that are payable in the following year.

Sec. 14. If the proceeds of the bonds authorized under this chapter are insufficient to enable the county to administer the probation services of the county for the unexpired part of the fiscal year, additional loans may be made for that time.

Sec. 15. (a) After the adoption of the bond ordinance by the county fiscal body, the county executive shall enter an order that does the following:

(1) Fixes the exact amount of the proposed loan. The amount of the proposed loan must be the maximum amount provided in the bond ordinance less any amount to be advanced from the general fund of the county.

(2) Fixes the exact rate of interest on the bonds or provides that the interest rate must be the lowest interest rate bid on the bonds. The interest rate may not exceed the maximum interest rate provided in the bond ordinance.

(b) The county executive may:

(1) fix the denominations of the bonds; or

(2) provide that the bonds shall be issued in denominations requested by the successful bidder.

(c) The denominations selected under subsection (b) may not change the amount of the serial maturities of the bonds.

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(d) The county executive shall adopt the form of bond to be used in the issuance of the bonds. The form shall be substantially followed in the issuance of the bonds.

Sec. 16. Upon the adoption of the order of the county executive under section 15 of this chapter, the county auditor shall give notice of the determination to make the loan and to issue the bonds.

Sec. 16. The provisions of laws concerning the right of a taxpayer to file a remonstrance and to appeal to the department of local government finance apply to this chapter. However, the notice of the determination shall be given in one (1) publication. A taxpayer has ten (10) days after the date of publication to file a remonstrance.

Sec. 17. Except as otherwise provided, the provisions of the general laws relating to the preparation and sale of bonds by counties apply to the preparation and sale of bonds issued under this chapter.

Sec. 18. (a) Before the sale of bonds under this chapter, the auditor shall publish notice of the sale one (1) time each week for two (2) consecutive weeks. All publications must be made at least seven (7) days before the date fixed for the sale of the bonds. The notice must be published:

- (1) in two (2) newspapers published in the county; and
- (2) one (1) time in a newspaper published in the city of Indianapolis.

(b) If the order of the county executive provides for a bid rate on the bonds, the notice of sale must state the following:

- (1) That the order provides for a bid rate.
- (2) That the highest bidder for the bonds will be the person that offers the lowest net interest cost to the county. The net interest cost shall be determined by:

(A) computing the total interest on all of the bonds to maturity; and

(B) deducting any premium bid from the total interest determined under clause (A).

Sec. 19. The auditor shall sell bonds issued under this chapter to the highest bidder. If a satisfactory bid is not received for all of the bonds at the time fixed in the notice of sale, the auditor may do the following:

- (1) Continue the sale from day to day.
- (2) Sell bonds in parcels until otherwise directed by an order of the county executive.

Sec. 20. (a) All bonds issued under this chapter:

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(1) are direct general obligations of the county issuing the bonds; and

(2) are payable out of unlimited ad valorem taxes that shall be levied and collected on all the taxable property within the county.

(b) Each official and body responsible for the levying of taxes for the county must ensure that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for the payment of the principal and interest, without regard to any other statute. If an official or a body fails or refuses to make or allow a sufficient levy required by this section, the bonds and the interest on the bonds shall be payable out of the general fund of the county without appropriation.

Sec. 21. (a) Upon approval of the county executive, the auditor may pay out of the proceeds of the bonds without further appropriation the cost of the following:

(1) Publishing the notice of determination and the bond sale notice.

(2) The printing of the bonds.

(3) The expense for legal services incurred in the sale of the bonds.

(4) Reimbursing the general fund for advancements made to the family and children's fund.

(b) The proceeds of the bonds remaining after the payment of the costs of the issuance of the bonds shall be paid into and are a part of the family and children's fund.

Sec. 22. The county fiscal body may authorize and make temporary loans for the use and benefit of the fund in anticipation of current revenues of the county that are actually levied and being collected for the year in which the loans are authorized and made. Each temporary loan authorized and made under this section must be authorized and made in conformity with IC 36-2-6.

Sec. 23. Upon the affirmative vote of two-thirds (2/3) of the members of the county fiscal body, a county may issue the county's serial bonds for an amount not exceeding in aggregate the amount for which the county is indebted for the use of the fund if the following conditions exist:

(1) The indebtedness for the use of the fund is evidenced by bonds, notes, judgments, or obligations that are:

(A) issued or negotiated by the county; or

(B) rendered against the county.

(2) The serial bonds are issued for any of the following

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purposes:

- (A) Funding or refunding the indebtedness or any part of the indebtedness.
- (B) Reducing the rate of interest on the indebtedness.
- (C) Extending the time of payment of the indebtedness.
- (D) Canceling the amount of the indebtedness that becomes due.

Sec. 24. The serial bonds issued under section 23 of this chapter:

- (1) may be of any denomination that is:
 - (A) not less than fifty dollars (\$50); and
 - (B) not more than one thousand dollars (\$1,000);
- (2) shall be payable:
 - (A) at any place named on the serial bonds; and
 - (B) at any time not later than fifteen (15) years after the date of the serial bonds;
- (3) may bear any rate of interest, payable annually or semiannually;
- (4) shall be sold at not less than the par value of the bonds; and
- (5) shall be sold in the manner provided for the sale of bonds issued under IC 12-20-23.

Sec. 25. (a) The county fiscal body shall add to the tax duplicate of the county:

- (1) an annual levy sufficient to pay the yearly interest on the bonds issued under section 23 of this chapter; and
- (2) an annual levy sufficient to provide a sinking fund for the liquidation of the principal as the principal becomes due. The sinking fund shall be applied solely to the payment of the bonds.

(b) If the county fiscal body fails to levy a tax sufficient to pay the interest on the bonds or to liquidate the principal of the bonds as the principal becomes due, the county auditor shall levy the tax or increase the tax levy made by the county fiscal body in the amount necessary to pay the interest and to retire the bonds as the bonds become due.

(c) Notwithstanding any other law, the tax levy may not be reduced below the amount required under this section.

SECTION 233. IC 32-21-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) If the auditor of the county or the ~~township~~ **county** assessor under IC 6-1.1-5-9 ~~and IC 6-1.1-5-9.1~~ determines it necessary, an instrument transferring fee simple title to less than the whole of a tract that will result in the

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1 division of the tract into at least two (2) parcels for property tax
 2 purposes may not be recorded unless the auditor or ~~township~~ county
 3 assessor is furnished a drawing or other reliable evidence of the
 4 following:

- 5 (1) The number of acres in each new tax parcel being created.
- 6 (2) The existence or absence of improvements on each new tax
 7 parcel being created.
- 8 (3) The location within the original tract of each new tax parcel
 9 being created.

10 (b) Any instrument that is accepted for recording and placed of
 11 record that bears the endorsement required by IC 36-2-11-14 is
 12 presumed to comply with this section.

13 SECTION 234. IC 32-28-3-1 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) A contractor, a
 15 subcontractor, a mechanic, a lessor leasing construction and other
 16 equipment and tools, whether or not an operator is also provided by the
 17 lessor, a journeyman, a laborer, or any other person performing labor
 18 or furnishing materials or machinery, including the leasing of
 19 equipment or tools, for:

- 20 (1) the erection, alteration, repair, or removal of:
- 21 (A) a house, mill, manufactory, or other building; or
- 22 (B) a bridge, reservoir, system of waterworks, or other
 23 structure;
- 24 (2) the construction, alteration, repair, or removal of a walk or
 25 sidewalk located on the land or bordering the land, a stile, a well,
 26 a drain, a drainage ditch, a sewer, or a cistern; or
- 27 (3) any other earth moving operation;

28 may have a lien as set forth in this section.

29 (b) A person described in subsection (a) may have a lien separately
 30 or jointly upon the:

- 31 (1) house, mill, manufactory, or other building, bridge, reservoir,
 32 system of waterworks, or other structure, sidewalk, walk, stile,
 33 well, drain, drainage ditch, sewer, cistern, or earth:
- 34 (A) that the person erected, altered, repaired, moved, or
 35 removed; or
- 36 (B) for which the person furnished materials or machinery of
 37 any description; and
- 38 (2) on the interest of the owner of the lot or parcel of land:
- 39 (A) on which the structure or improvement stands; or
- 40 (B) with which the structure or improvement is connected;

41 to the extent of the value of any labor done or the material furnished,
 42 or both, including any use of the leased equipment and tools.

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(c) All claims for wages of mechanics and laborers employed in or about a shop, mill, wareroom, storeroom, manufactory or structure, bridge, reservoir, system of waterworks or other structure, sidewalk, walk, stile, well, drain, drainage ditch, cistern, or any other earth moving operation shall be a lien on all the:

- (1) machinery;
- (2) tools;
- (3) stock;
- (4) material; or
- (5) finished or unfinished work;

located in or about the shop, mill, wareroom, storeroom, manufactory or other building, bridge, reservoir, system of waterworks, or other structure, sidewalk, walk, stile, well, drain, drainage ditch, sewer, cistern, or earth used in a business.

(d) If the person, firm, limited liability company, or corporation described in subsection (a) is in failing circumstances, the claims described in this section shall be preferred debts whether a claim or notice of lien has been filed.

(e) Subject to subsection (f), a contract:

- (1) for the construction, alteration, or repair of a Class 2 structure (as defined in IC 22-12-1-5);
- (2) for the construction, alteration, or repair of an improvement on the same real estate auxiliary to a Class 2 structure (as defined in IC 22-12-1-5);
- (3) for the construction, alteration, or repair of property that is:
 - (A) owned, operated, managed, or controlled by a:
 - (i) public utility (as defined in IC 8-1-2-1);
 - (ii) municipally owned utility (as defined in IC 8-1-2-1);
 - (iii) joint agency (as defined in IC 8-1-2.2-2);
 - (iv) rural electric membership corporation formed under IC 8-1-13-4;
 - (v) rural telephone cooperative corporation formed under IC 8-1-17; or
 - (vi) not-for-profit utility (as defined in IC 8-1-2-125);
 - regulated under IC 8; and
 - (B) intended to be used and useful for the production, transmission, delivery, or furnishing of heat, light, water, telecommunications services, or power to the public; or
- (4) to prepare property for Class 2 residential construction;

may include a provision or stipulation in the contract of the owner and principal contractor that a lien may not attach to the real estate, building, structure or any other improvement of the owner.

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(f) A contract containing a provision or stipulation described in subsection (e) must meet the requirements of this subsection to be valid against subcontractors, mechanics, journeymen, laborers, or persons performing labor upon or furnishing materials or machinery for the property or improvement of the owner. The contract must:

- (1) be in writing;
- (2) contain specific reference by legal description of the real estate to be improved;
- (3) be acknowledged as provided in the case of deeds; and
- (4) be filed and recorded in the recorder's office of the county in which the real estate, building, structure, or other improvement is situated not more than five (5) days after the date of execution of the contract.

A contract containing a provision or stipulation described in subsection (e) does not affect a lien for labor, material, or machinery supplied before the filing of the contract with the recorder.

(g) Upon the filing of a contract under subsection (f), the recorder shall:

- (1) record the contract at length in the order of the time it was received in books provided by the recorder for that purpose;
- (2) index the contract in the name of the:
 - (A) contractor; and
 - (B) owner;
 in books kept for that purpose; and
- (3) collect a fee for recording the contract as is provided for the recording of deeds and mortgages.

(h) A person, firm, partnership, limited liability company, or corporation that sells or furnishes on credit any material, labor, or machinery for the alteration or repair of an owner occupied single or double family dwelling or the appurtenances or additions to the dwelling to:

- (1) a contractor, subcontractor, mechanic; or
- (2) anyone other than the occupying owner or the owner's legal representative;

must furnish to the occupying owner of the parcel of land where the material, labor, or machinery is delivered a written notice of the delivery or work and of the existence of lien rights not later than thirty (30) days after the date of first delivery or labor performed. The furnishing of the notice is a condition precedent to the right of acquiring a lien upon the lot or parcel of land or the improvement on the lot or parcel of land.

(i) A person, firm, partnership, limited liability company, or

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corporation that sells or furnishes on credit material, labor, or machinery for the original construction of a single or double family dwelling for the intended occupancy of the owner upon whose real estate the construction takes place to a contractor, subcontractor, mechanic, or anyone other than the owner or the owner's legal representatives must:

(1) furnish the owner of the real estate:

(A) as named in the latest entry in the transfer books described in IC 6-1.1-5-4 of the county auditor; or

(B) if IC 6-1.1-5-9 applies, as named in the transfer books of the ~~township~~ **county** assessor;

with a written notice of the delivery or labor and the existence of lien rights not later than sixty (60) days after the date of the first delivery or labor performed; and

(2) file a copy of the written notice in the recorder's office of the county not later than sixty (60) days after the date of the first delivery or labor performed.

The furnishing and filing of the notice is a condition precedent to the right of acquiring a lien upon the real estate or upon the improvement constructed on the real estate.

(j) A lien for material or labor in original construction does not attach to real estate purchased by an innocent purchaser for value without notice of a single or double family dwelling for occupancy by the purchaser unless notice of intention to hold the lien is recorded under section 3 of this chapter before recording the deed by which the purchaser takes title.

SECTION 235. IC 32-28-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) Except as provided in subsection (b), a person who wishes to acquire a lien upon property, whether the claim is due or not, must file in duplicate a sworn statement and notice of the person's intention to hold a lien upon the property for the amount of the claim:

(1) in the recorder's office of the county; and

(2) not later than ninety (90) days after performing labor or furnishing materials or machinery described in section 1 of this chapter.

The statement and notice of intention to hold a lien may be verified and filed on behalf of a client by an attorney registered with the clerk of the supreme court as an attorney in good standing under the requirements of the supreme court.

(b) This subsection applies to a person that performs labor or furnishes materials or machinery described in section 1 of this chapter

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related to a Class 2 structure (as defined in IC 22-12-1-5) or an improvement on the same real estate auxiliary to a Class 2 structure (as defined in IC 22-12-1-5). A person who wishes to acquire a lien upon property, whether the claim is due or not, must file in duplicate a sworn statement and notice of the person's intention to hold a lien upon the property for the amount of the claim:

- (1) in the recorder's office of the county; and
- (2) not later than sixty (60) days after performing labor or furnishing materials or machinery described in section 1 of this chapter.

The statement and notice of intention to hold a lien may be verified and filed on behalf of a client by an attorney registered with the clerk of the supreme court as an attorney in good standing under the requirements of the supreme court.

(c) A statement and notice of intention to hold a lien filed under this section must specifically set forth:

- (1) the amount claimed;
 - (2) the name and address of the claimant;
 - (3) the owner's:
 - (A) name; and
 - (B) latest address as shown on the property tax records of the county; and
 - (4) the:
 - (A) legal description; and
 - (B) street and number, if any;
- of the lot or land on which the house, mill, manufactory or other buildings, bridge, reservoir, system of waterworks, or other structure may stand or be connected with or to which it may be removed.

The name of the owner and legal description of the lot or land will be sufficient if they are substantially as set forth in the latest entry in the transfer books described in IC 6-1.1-5-4 of the county auditor or, if IC 6-1.1-5-9 applies, the transfer books of the ~~township~~ county assessor at the time of filing of the notice of intention to hold a lien.

(d) The recorder shall:

- (1) mail, first class, one (1) of the duplicates of the statement and notice of intention to hold a lien to the owner named in the statement and notice not later than three (3) business days after recordation;
- (2) post records as to the date of the mailing; and
- (3) collect a fee of two dollars (\$2) from the lien claimant for each statement and notice that is mailed.

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The statement and notice shall be addressed to the latest address of the owner as specifically set out in the sworn statement and notice of the person intending to hold a lien upon the property.

SECTION 236. IC 33-26-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The office of the attorney general shall represent a ~~township assessor~~; a county assessor, a county auditor, a member of a county property tax assessment board of appeals, or a county property tax assessment board of appeals that:

(1) made an original determination that is the subject of a judicial proceeding in the tax court; and

(2) is a defendant in a judicial proceeding in the tax court.

SECTION 237. IC 33-26-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. A ~~township assessor~~; a county assessor, a county auditor, a member of a county property tax assessment board of appeals, or a county property tax assessment board of appeals:

(1) may seek relief from the tax court to establish that the Indiana board of tax review rendered a decision that was:

(A) an abuse of discretion;

(B) arbitrary and capricious;

(C) contrary to substantial or reliable evidence; or

(D) contrary to law; and

(2) may not be represented by the office of the attorney general in an action initiated under subdivision (1).

SECTION 238. IC 33-26-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. As used in this chapter, "qualifying official" refers to any of the following:

(1) A county assessor of a qualifying county.

~~(2) A township assessor of a qualifying county.~~

~~(3) (2)~~ The county auditor of a qualifying county.

~~(4) (3)~~ The treasurer of a qualifying county.

~~(5) (4)~~ The county surveyor of a qualifying county.

~~(6) (5)~~ A member of the land valuation committee in a qualifying county.

~~(7) (6)~~ Any other ~~township or~~ county official in a qualifying county who has possession or control of information necessary or useful for a general reassessment, general reassessment review, or special reassessment of property to which IC 6-1.1-4-32 applies, including information in the possession or control of an employee or a contractor of the official.

~~(8) (7)~~ Any county official in a qualifying county who has control, review, or other responsibilities related to paying claims of a

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contractor submitted for payment under IC 6-1.1-4-32.

SECTION 239. IC 36-1-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. "Clerk" means:

- (1) clerk of the circuit court, for a county;
- (2) county auditor, for a board of county commissioners or county council;
- (3) clerk of the city-county council, for a consolidated city;
- (4) city clerk, for a second class city;
- (5) clerk-treasurer, for a third class city; ~~or~~
- (6) clerk-treasurer, for a town; **or**

(7) chief executive officer of a political subdivision not described in subdivisions (1) through (6).

SECTION 240. IC 36-1-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. "Fiscal body" means:

- (1) county council, for a county not having a consolidated city;
- (2) city-county council, for a consolidated city or county having a consolidated city;
- (3) common council, for a city other than a consolidated city;
- (4) town council, for a town;
- (5) township board, for a township; ~~or~~
- (6) governing body or budget approval body, for any other political subdivision **that has a governing body or budget approval body; or**
- (7) chief executive officer of any other political subdivision that does not have a governing body or budget approval body.**

SECTION 241. IC 36-1-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. "Legislative body" means:

- (1) board of county commissioners, for a county not subject to IC 36-2-3.5 or IC 36-3-1;
- (2) county council, for a county subject to IC 36-2-3.5;
- (3) city-county council, for a consolidated city or county having a consolidated city;
- (4) common council, for a city other than a consolidated city;
- (5) town council, for a town; ~~or~~
- (6) township board, for a township;
- (7) the governing body of any other political subdivision that has a governing body; or**
- (8) chief executive officer of any other political subdivision that does not have a governing body.**

SECTION 242. IC 36-1-8-5, AS AMENDED BY P.L.73-2005,

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SECTION 171, IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This section applies to all
funds raised by a general or special tax levy on all the taxable property
of a political subdivision.

(b) Whenever the purposes of a tax levy have been fulfilled and an
unused and unencumbered balance remains in the fund, the fiscal body
of the political subdivision shall order the balance of that fund to be
transferred as follows, unless a statute provides that it be transferred
otherwise:

(1) Funds of a county, to the general fund or rainy day fund of the
county, as provided in section 5.1 of this chapter.

(2) Funds of a municipality, to the general fund or rainy day fund
of the municipality, as provided in section 5.1 of this chapter.

(3) Funds of a township for redemption of township assistance
obligations, to the township assistance fund of the township or
~~rainy day~~ **general** fund of the township, as provided in section 5.1
of this chapter.

(4) Funds of any other political subdivision, to the general fund or
rainy day fund of the political subdivision, as provided in section
5.1 of this chapter. However, if the political subdivision is
dissolved or does not have a general fund or rainy day fund, then
to the general fund of each of the units located in the political
subdivision in the same proportion that the assessed valuation of
the unit bears to the total assessed valuation of the political
subdivision.

(c) Whenever an unused and unencumbered balance remains in the
civil township fund of a township and a current tax levy for the fund is
not needed, the township fiscal body may order any part of the balance
of that fund transferred to the debt service fund of the school
corporation located in or partly in the township; but if more than one
(1) school corporation is located in or partly in the township, then any
sum transferred shall be transferred to the debt service fund of each of
those school corporations in the same proportion that the part of the
assessed valuation of the school corporation in the township bears to
the total assessed valuation of the township.

(d) Transfers to a political subdivision's rainy day fund ~~must~~ **may** be
made ~~after the last day of~~ **at any time during** the political subdivision's
fiscal year. ~~and before March 1 of the subsequent calendar year.~~

SECTION 243. IC 36-1-8-5.1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.1. (a) A political
subdivision may establish a rainy day fund by the adoption of:

(1) an ordinance, in the case of a county, city, or town; or

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(2) a resolution, in the case of any other political subdivision.
 (b) An ordinance or a resolution adopted under this section must specify the following:

- (1) The purposes of the rainy day fund.
- (2) The sources of funding for the rainy day fund, which may include the following:

(A) Unused and unencumbered funds under:

- (i) section 5 of this chapter;
- (ii) IC 6-3.5-1.1-21.1;
- (iii) IC 6-3.5-6-17.3; or
- (iv) IC 6-3.5-7-17.3.

(B) Any other funding source:

- (i) specified in the ordinance or resolution adopted under this section; and
- (ii) not otherwise prohibited by law.

(c) The rainy day fund is subject to the same appropriation process as other funds that receive tax money.

~~(d) In any fiscal year, a political subdivision may transfer under section 5 of this chapter not more than ten percent (10%) of the political subdivision's total annual budget for that fiscal year, adopted under IC 6-1.1-17, to the rainy day fund.~~

~~(e)~~ (d) A political subdivision may use only the funding sources specified in subsection (b)(2)(A) or in the ordinance or resolution establishing the rainy day fund. The political subdivision may adopt a subsequent ordinance or resolution authorizing the use of another funding source.

~~(f)~~ (e) The department of local government finance may not reduce the actual or maximum permissible levy of a political subdivision as a result of a balance in the rainy day fund of the political subdivision.

(f) Money may not be transferred from a debt services fund or a sinking fund to a rainy day fund.

SECTION 244. IC 36-1-8-14.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14.2. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

- (1) Assessed value.
- (2) Exemption.
- (3) Owner.
- (4) Person.
- (5) Property taxation.
- (6) Real property.
- ~~(7) Township assessor.~~

(b) As used in this section, "PILOTS" means payments in lieu of

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1 taxes.

2 (c) As used in this section, "property owner" means the owner of
3 real property described in IC 6-1.1-10-16.7.

4 (d) Subject to the approval of a property owner, the governing body
5 of a political subdivision may adopt an ordinance to require the
6 property owner to pay PILOTS at times set forth in the ordinance with
7 respect to real property that is subject to an exemption under
8 IC 6-1.1-10-16.7, if the improvements that qualify the real property for
9 an exemption were begun or acquired after December 31, 2001. The
10 ordinance remains in full force and effect until repealed or modified by
11 the governing body, subject to the approval of the property owner.

12 (e) The PILOTS must be calculated so that the PILOTS are in an
13 amount equal to the amount of property taxes that would have been
14 levied by the governing body for the political subdivision upon the real
15 property described in subsection (d) if the property were not subject to
16 an exemption from property taxation.

17 (f) PILOTS shall be imposed as are property taxes and shall be
18 based on the assessed value of the real property described in subsection
19 (d). The ~~township assessors~~ **county assessor** shall assess the real
20 property described in subsection (d) as though the property were not
21 subject to an exemption.

22 (g) PILOTS collected under this section shall be deposited in the
23 affordable housing fund established under IC 5-20-5-15.5 and used for
24 any purpose for which the affordable housing fund may be used.

25 (h) PILOTS shall be due as set forth in the ordinance and bear
26 interest, if unpaid, as in the case of other taxes on property. PILOTS
27 shall be treated in the same manner as taxes for purposes of all
28 procedural and substantive provisions of law.

29 (i) This section does not apply to a county that contains a
30 consolidated city or to a political subdivision of the county.

31 SECTION 245. IC 36-1.5 IS ADDED TO THE INDIANA CODE
32 AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE
33 UPON PASSAGE]:

34 **ARTICLE 1.5. GOVERNMENT MODERNIZATION**

35 **Chapter 1. General Provisions**

36 **Sec. 1. The purpose of this article is to do the following:**

37 **(1) Grant general power to enable political subdivisions to**
38 **operate more efficiently by eliminating restrictions under**
39 **existing law that:**

40 **(A) impede the economy of operation of;**

41 **(B) interfere with the ease of administration of;**

42 **(C) inhibit cooperation among; and**

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(D) thwart better government by;
political subdivisions.

(2) Encourage efficiency by and cooperation among political subdivisions to:

(A) reduce reliance on property taxes; and

(B) enhance the ability of political subdivisions to provide critical and necessary services.

(3) Strengthen the financial condition of state government.

Sec. 2. This article contains full and complete authority for the following:

(1) Reorganization of political subdivisions.

(2) Exercise of governmental functions under a cooperative agreement.

(3) Transfer of responsibilities between offices and officers.

(4) Sharing of revenue among political subdivisions to carry out a common purpose.

Sec. 3. Except as provided in this article, no law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by a political subdivision or any officer, department, agency, or instrumentality of the state or any political subdivision is required for two (2) or more political subdivisions to:

(1) reorganize;

(2) exercise governmental functions under a cooperative agreement;

(3) transfer responsibilities between offices and officers; or

(4) share revenue to carry out a common purpose;

under this article.

Sec. 4. A political subdivision may exercise the powers granted under this article without complying with the provisions of any other law, statute, or rule.

Sec. 5. This article shall be liberally construed to effect the purposes of this article.

Sec. 6. Except as otherwise specifically provided by law, to the extent the provisions of this article are inconsistent with the provisions of any other general, special, or local law, the provisions of this article are controlling, and compliance with this article shall be treated as compliance with the conflicting law.

Sec. 7. This article does not prohibit the:

(1) reorganization of one (1) or more political subdivisions;

(2) exercise of governmental functions under a cooperative agreement;

(3) transfer of responsibilities between offices and officers; or

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(4) sharing of revenue among political subdivisions to carry out a common purpose; under another law that is not included in this article.

Sec. 8. More than one (1) resolution permitted under this article may be consolidated into a combined resolution.

Chapter 2. Definitions

Sec. 1. The definitions in IC 3-5-2 and IC 36-1-2 apply throughout this article.

Sec. 2. The definitions in this chapter apply throughout this article.

Sec. 3. "Cooperative agreement" refers to a cooperative agreement under this article between two (2) or more entities.

Sec. 4. "Economic development entity" has the meaning set forth in IC 36-1-7-15.

Sec. 5. "Economic development project" has the meaning set forth in IC 6-3.5-7-13.1(c). The term also includes any project related to transportation services, transportation infrastructure, or the development or construction of a hotel or other tourism destination.

Sec. 6. "Entity" refers to an entity described in IC 36-1-7-1.

Sec. 7. "Participating political subdivision" refers to a political subdivision that is a party to a cooperative agreement.

Sec. 8. "Plan of reorganization" refers to a plan of reorganization approved by the legislative body of each reorganizing political subdivision under this article.

Sec. 9. "Reorganization" means a change in the structure or administration of a political subdivision described in IC 36-1.5-5-3 and IC 36-1.5-5-4.

Sec. 10. "Reorganization committee" refers to a committee established under this article to assist reorganizing subdivisions with developing a plan of reorganization,

Sec. 11. "Reorganized political subdivision" means the political subdivision that is the successor to the reorganizing political subdivisions participating in a reorganization.

Sec. 12. "Reorganizing political subdivision" refers to a political subdivision for which the voters have adopted a public question under this article approving a reorganization.

Chapter 3. Adjustment of Maximum Permissible Levies, Tax Rates, and Budgets

Sec. 1. A certified copy of an ordinance or a resolution, including any incorporated agreement, that is adopted under this article must be submitted to the department of local government

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1 finance.

2 Sec. 2. The department of local government finance may take an
3 action under this chapter in the manner prescribed by the
4 department of local government finance in its rules adopted under
5 IC 4-22-2.

6 Sec. 3. A political subdivision may petition for judicial review of
7 a final determination of the department of local government
8 finance under this chapter. The petition must be filed in the tax
9 court not more than forty-five (45) days after the department of
10 local government finance enters its order under this chapter.

11 Sec. 4. Subject to this chapter, the department of local
12 government finance shall adjust the maximum permissible
13 property tax levies, maximum permissible property tax rates, and
14 budgets of political subdivisions that enter into an agreement or a
15 reorganization under this chapter as the department of local
16 government finance determines necessary to do the following:

17 (1) Eliminate double taxation by different political
18 subdivisions for services or goods provided under this article.

19 (2) Eliminate any excess by which property taxes imposed by
20 a political subdivision exceeds the amount necessary to pay
21 for services or goods provided under this article.

22 (3) Restore taxing powers of a political subdivision after the
23 termination of an agreement or a reorganization under this
24 article that are necessary to fund governmental services to the
25 individuals and entities served by the political subdivision.

26 (4) Restore taxing powers of a political subdivision after the
27 withdrawal of a party from an agreement or a reorganization
28 under this article that are necessary to fund governmental
29 services to the individuals and entities served by the political
30 subdivision.

31 Sec. 5. The department shall establish a formula for adjusting
32 maximum permissible property tax levies, maximum permissible
33 property tax rates, and budgets under this chapter that permit a
34 political subdivision (or a successor political subdivision) that
35 realizes a:

36 (1) savings to its taxpayers; or

37 (2) reduction in the reasonably foreseeable expenses that
38 would otherwise be incurred by its taxpayers;

39 through an agreement or a reorganization to continue to levy part
40 of the realized savings or reduction. The adjustment under this
41 section may not exceed fifty percent (50%) of the savings or
42 reduction realized in the first full year of operation after the

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1 agreement or reorganization is implemented, as determined by the
2 department of local government finance.

3 **Chapter 4. Voter Petition for Reorganization**

4 **Sec. 1. If each of the clerks of two (2) or more political**
5 **subdivisions that qualify for reorganization under IC 36-1.5-5**
6 **receives a written petition:**

- 7 (1) in the form required by section 2 of this chapter;
- 8 (2) signed by at least ten percent (10%) of the voters of the
- 9 political subdivision, as determined by the vote cast in the
- 10 political subdivision for secretary of state at the most recent
- 11 general election;
- 12 (3) requesting that a public question be presented to the voters
- 13 of the political subdivisions to determine whether political
- 14 subdivisions identified in the petition should be reorganized
- 15 into one (1) political subdivision; and
- 16 (4) stating the day of the election for which the voters seek the
- 17 placement of the question on the ballot;

18 the clerks of the political subdivisions shall certify the public
19 question in the form prescribed by the department of local
20 government finance to the county election board of each county in
21 which the political subdivisions are located.

22 **Sec. 2. (a) This section applies to a petition under section 1 of**
23 **this chapter.**

24 (b) Each petition must be in the form prescribed by the
25 department of local government finance.

26 (c) Each petition must comply with the requirements of
27 IC 3-10-9-6.

28 **Sec. 3. The date of an election specified in a petition under**
29 **section 1 of this chapter may only be the date of a:**

- 30 (1) general election; or
- 31 (2) primary election immediately preceding a general election.

32 **Sec. 4. If a public question is certified to the county election**
33 **board under section 1 of this chapter, the county election board**
34 **shall place the public question on the ballot in accordance with**
35 **IC 3-10-9 on the date specified in the petition. However,**
36 **notwithstanding IC 3-10-9-6, if the election date specified in a**
37 **petition:**

- 38 (1) does not comply with section 9 of this chapter; or
- 39 (2) is certified to the county election board too late to comply
- 40 with IC 3-10-9-3;

41 the county election board shall place the public question on the
42 ballot at the next election that complies with section 9 of this

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chapter and IC 3-10-9-3.

Sec. 5. The public question under this chapter shall be placed on the ballot in all of the precincts that are located in the political subdivisions that are the subject of the proposed reorganization in substantially the following form:

"Shall _____ (name of political subdivision)
and _____ (name of political subdivision)
reorganize as a single political subdivision."

Sec. 6. IC 3 applies to the election at which a public question under this chapter is considered.

Sec. 7. At the same time that the election results are certified under IC 3, the county clerks in the counties in which the public question is on the ballot shall jointly issue, in the form prescribed by the state election board, a certificate declaring the public question under this chapter approved or rejected to the following:

- (1) The clerk of each political subdivision that is the subject of the proposed reorganization.
- (2) The county auditor of each county in which a political subdivision that is the subject of the proposed reorganization is located.
- (3) The department of local government finance.
- (4) If any of the political subdivisions being reorganized is a school corporation, the department of education.

Sec. 8. (a) This section applies when the voters of more than one (1) political subdivision approve under this chapter a public question to reorganize.

(b) Except as provided in subsection (c), the political subdivisions are reorganized in the form and under the conditions specified by the legislative bodies of the political subdivisions in a plan of reorganization incorporated into a substantially identical resolution that is adopted by each of the political subdivisions under IC 36-1.5-5.

(c) This subsection applies if the public question is approved by the voters in less than all of the political subdivisions that are participating in the proposed reorganization. The legislative bodies of the remaining political subdivisions for whom the voters approved the public question shall reorganize without the political subdivision that rejected the reorganization unless the legislative bodies of each of the remaining political subdivisions adopt substantially identical resolutions terminating the reorganization.

Sec. 9. The voters of a reorganized political subdivision may terminate a reorganization or restore one (1) or more of the

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reorganizing political subdivisions participating in a reorganization in the same manner under this chapter that a reorganization may be initiated. If the voters in the reorganized political subdivision approve a public question approving termination of the reorganization or restoration of a reorganizing political subdivision, the reorganized political subdivision shall terminate the reorganization and restore the reorganizing political subdivisions in the same manner under IC 36-1.5-5 as a reorganization is completed.

Chapter 5. Reorganization

Sec. 1. Any of the following may reorganize under this chapter:

(1) Two (2) or more counties. A county reorganizing under this subdivision must be adjacent to at least one (1) other county participating in the reorganization.

(2) Two (2) or more townships. A township reorganizing under this subdivision must be adjacent to at least one (1) other township participating in the reorganization.

(3) Two (2) or more municipalities. A municipality reorganizing under this subdivision must be adjacent to at least one (1) other municipality participating in the reorganization.

(4) Two (2) or more school corporations. A school corporation reorganizing under this subdivision must be adjacent to at least one (1) other school corporation participating in the reorganization.

(5) Two (2) or more municipal corporations, other than a unit or a school corporation, that have substantially equivalent powers. A municipal corporation reorganizing under this subdivision must be adjacent to at least one (1) other municipal corporation participating in the reorganization.

(6) Two (2) or more special taxing districts that are adjacent to at least one (1) other special taxing district participating in the reorganization.

(7) A township and a municipality that is located in any part of the same township.

(8) A county and one (1) or more townships that are located in the county.

(9) A municipality and the county in which a majority of the population of the municipality resides.

(10) A school corporation and a county or a municipality in which a majority of the students have legal settlement (as defined by IC 20-18-2-11).

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(11) A municipal corporation, other than a unit or school corporation, and the county or municipality in which a majority of the population of the municipal corporation resides.

Sec. 2. For purposes of this chapter, two (2) political subdivisions may not be treated as adjacent if the political subdivisions are connected by a strip of land that is less than one hundred fifty (150) feet wide.

Sec. 3. Political subdivisions described in section 1 of this chapter may participate under this chapter in any of the following types of reorganization:

(1) Consolidation of the participating political subdivisions into a single new political subdivision.

(2) Consolidation of the participating political subdivisions into one (1) of the participating political subdivisions.

Sec. 4. As part of a reorganization in a finally approved plan of reorganization, one (1) or more of the participating political subdivisions or the reorganized political subdivision may do the following:

(1) Adjust any of its boundaries.

(2) Establish a joint service area with another political subdivision.

(3) Transfer the functions of an office to another office.

(4) Provide for a legislative body, an executive, or a fiscal body of the reorganized political subdivision to exercise the powers of a legislative body, an executive, or a fiscal body of a reorganizing political subdivision.

(5) Change or select a new name.

Sec. 5. (a) Except as provided in subsection (b), a reorganization approved under this chapter takes effect when all the following have occurred:

(1) The later of the date that a copy of a finally adopted plan of reorganization is recorded as required by section 19 of this chapter or the date specified in the finally adopted plan of reorganization.

(2) The appointed or elected officers of the reorganized political subdivision are elected (as prescribed by section 22 of this chapter) or appointed and qualified, if:

(A) the reorganized political subdivision is a new political subdivision and reorganizing political subdivisions are not being consolidated into one (1) of the reorganizing political subdivisions;

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(B) the reorganized political subdivision will have different boundaries than any of the reorganizing political subdivisions;

(C) the reorganized political subdivision will have different appointment or election districts than any of the reorganizing political subdivisions; or

(D) the finally adopted plan of reorganization requires new appointed or elected officers before the reorganization becomes effective.

(b) A reorganization approved under this chapter may not take effect during the year preceding a year in which a federal decennial census is conducted. A consolidation that would otherwise take effect during the year preceding a year in which a federal decennial census is conducted takes effect January 2 of the year in which a federal decennial census is conducted.

Sec. 6. When the reorganization is effective:

(1) all of the participating political subdivisions, except the reorganized political subdivision, cease to exist;

(2) unless the plan of reorganization provides for the continuation of term of office, the term of each of the elected offices of each of the reorganizing political subdivisions is terminated;

(3) if the plan of reorganization transfers the responsibilities of any office to another office, the office from which the responsibilities were transferred is abolished;

(4) the executive, legislative body, and fiscal body of the reorganizing political subdivisions (other than any reorganizing corporation that is treated under the plan of reorganization as the successor reorganized political subdivision) are abolished and the responsibilities of the executive, legislative body, and fiscal body are transferred to the executive, legislative body, and fiscal body of the reorganized political subdivision; and

(5) the property and liabilities of the reorganizing political subdivisions become the property and liabilities of the reorganized political subdivision.

Sec. 7. Before a reorganization takes effect, the reorganizing political subdivisions may:

(1) carry out any:

(A) of the powers of the reorganized political subdivision; or

(B) part of the reorganization;

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under an interlocal agreement adopted under IC 36-1-7 or a cooperative agreement under this article;

(2) transfer the powers and duties of an office, a department, or a function of any of the reorganizing political subdivisions to another office or department under an agreement incorporated into substantially identical resolutions adopted by each of the political subdivisions whose offices, departments, or functions are being consolidated; or

(3) use or loan any of the money or other assets of any of the reorganizing political subdivisions for the purposes of the reorganization.

Sec. 8. A legislative body of a political subdivision:

(1) may initiate a reorganization by adopting a resolution under section 9 of this chapter; and

(2) shall initiate a reorganization under section 9 of this chapter when required under IC 36-1.5-4-8.

Sec. 9. The legislative bodies of two (2) or more political subdivisions may initiate a reorganization by adopting substantially identical resolutions:

(1) naming the political subdivisions that are authorized to participate in the reorganization; and

(2) providing for the establishing of a reorganization committee.

The clerk of a political subdivision adopting a resolution under this section shall certify the resolution to each political subdivision named in the resolution.

Sec. 10. (a) Not later than thirty (30) days after the last political subdivision adopts a resolution under section 9 of this chapter, the reorganizing political subdivisions shall appoint the number of individuals specified in section 11 of this chapter to serve on a reorganization committee to develop a plan for reorganization for the reorganizing political subdivisions.

(b) The reorganizing political subdivisions may appoint members to a reorganization committee, which may conduct planning discussions before all the reorganizing political subdivisions adopt the resolution establishing the reorganization committee. However, a comprehensive plan of reorganization may not be finally adopted after all the reorganizing political subdivisions adopt the resolution and appoint members to the reorganization committee.

Sec. 11. (a) Members shall be appointed to a reorganization committee as follows:

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(1) In accordance with an agreement adopted in the manner provided in section 7 of this chapter. An agreement under this subdivision must provide that not more than a simple majority of the members appointed by each political subdivision may be members of the same political party.

(2) If an agreement does not provide for the membership of a reorganization committee under this chapter, three (3) members shall be appointed by the executive of each political subdivision participating in the reorganization. Not more than two (2) of the members appointed by an executive of a political subdivision may be members of the same political party.

(b) The members of a reorganization committee serve at the pleasure of the appointing authority. The reorganization committee shall select a chairperson and any other officers that the reorganization committee determines necessary from the members of the reorganization committee.

(c) The members of the reorganization committee serve without compensation. The members, however, are entitled to reimbursement from the reorganizing political subdivisions for the necessary expenses incurred in the performance of their duties.

(d) The reorganizing political subdivisions shall provide necessary office space, supplies, and staff to the reorganization committee. The reorganizing political subdivisions may employ attorneys, accountants, consultants, and other professionals for the reorganization committee.

(e) Except as otherwise provided in an agreement adopted in the manner provided in section 7 of this chapter, claims for expenditures for the reorganization committee shall be made to the fiscal officer for the reorganizing political subdivision with the largest population. The fiscal officer shall pay the necessary expenditures and obtain reimbursement from the reorganizing political subdivisions:

(1) in accordance with an agreement adopted in the manner provided in section 7 of this chapter; or

(2) in the absence of an agreement, in proportion to the population of each reorganizing political subdivision.

Sec. 12. A reorganization committee may do the following:

(1) Adopt procedures to govern the internal management of the reorganization committee.

(2) Conduct the public hearings on the plan of reorganization that the reorganization committee determines necessary or

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appropriate.

(3) Review the books and records of any reorganizing political subdivision.

(4) Administer oaths.

(5) Issue and enforce subpoenas and discovery orders under IC 4-21.5.

Sec. 13. (a) A reorganization committee shall prepare a comprehensive plan of reorganization for the reorganizing political subdivisions. The plan of reorganization shall govern the actions, duties, and powers of the reorganized political subdivision that are not specified by law.

(b) The plan for the reorganization must include at least the following:

(1) The name and description of the reorganized political subdivision that will succeed the reorganizing political subdivisions.

(2) A description of boundaries of the reorganized political subdivision.

(3) A description of the taxing areas in which taxes to retire obligations of participating political subdivisions will be raised.

(4) A description of membership of the legislative body, fiscal body, and executive of the reorganized political subdivision, a description of the election districts or appointment districts from which offices will be elected or appointed, and the manner in which the membership of each elected or appointed office will be elected or appointed.

(5) A description of the services to be offered by the reorganized political subdivision and the service areas in which the services will be offered.

(6) The disposition of the personnel, the agreements, the assets, and, subject to section 26 of this chapter, the liabilities of the reorganizing political subdivisions, including the terms and conditions upon which the transfer of property and personnel will be achieved.

(7) Any other matter that the:

(A) reorganization committee determines to be necessary or appropriate; or

(B) legislative bodies of the reorganizing political subdivisions, in the manner provided in section 7 of this chapter, require the reorganization committee;

to include in the plan of reorganization.

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(c) Upon completion of the plan of reorganization, the reorganization committee shall present the plan of reorganization to the legislative body of each of the reorganizing political subdivisions for adoption. The initial plan of reorganization must be submitted to the legislative body of each of the reorganizing political subdivisions not later than one (1) year after the last political subdivision adopts a resolution under section 9 of this chapter.

Sec. 14. The legislative body of each of the reorganizing political subdivisions shall provide for the following:

(1) Consideration of a plan of reorganization presented by a reorganization committee in the form of a resolution incorporating the plan of reorganization in full or by reference.

(2) Reading of the resolution incorporating the plan of reorganization in at least two (2) separate meetings of the legislative body of the political subdivision.

(3) Conducting a public hearing on the plan of reorganization:

(A) not sooner than five (5) days after notice of the public hearing is published under IC 5-3-1; and

(B) before the legislative body takes final action on the resolution to adopt the plan of reorganization.

Sec. 15. At the public hearing on a plan of reorganization or in a public meeting held not more than thirty (30) days after the public hearing concludes, a legislative body of a reorganizing political subdivision shall do one (1) of the following:

(1) Adopt the plan of reorganization as presented to the legislative body.

(2) Adopt the plan of reorganization with modifications.

(3) Reject the plan of reorganization and order a reorganization committee to submit a new plan of reorganization within thirty (30) days after the legislative body rejects the plan of reorganization.

Sec. 16. Any modifications in a plan of reorganization that are adopted by a legislative body of a reorganizing political subdivision must be adopted by the legislative body of each of the political subdivisions before the modifications are effective.

Sec. 17. The legislative body of each reorganizing political subdivision shall take action on a revised plan of reorganization submitted by a reorganization committee and each resolution modifying a plan or revised plan of reorganization in the same manner as the initially submitted plan of reorganization.

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1 **Sec. 18. The legislative body of a reorganizing political**
 2 **subdivision shall certify the legislative body's final action on a plan**
 3 **or revised plan of reorganization, as modified by the legislative**
 4 **body, in the manner prescribed by the department of local**
 5 **government finance, to the following:**

- 6 (1) The chair of the reorganization committee.
 7 (2) The clerk of each reorganizing political subdivision.
 8 (3) The county fiscal officer of each county in which a
 9 reorganizing political subdivision is located.
 10 (4) The county recorder of each county in which a
 11 reorganizing political subdivision is located.
 12 (5) The department of local government finance.
 13 (6) The department of state revenue.
 14 (7) If a reorganizing political subdivision is a school
 15 corporation, the department of education.
 16 (8) The state board of accounts.
 17 (9) If an election district or a boundary is changed, circuit
 18 court judge of each county in which a reorganizing political
 19 subdivision is located.

20 **Sec. 19. Each county recorder receiving a certification under**
 21 **section 18 of this chapter shall record the certification and the plan**
 22 **of reorganization in the records of the county recorder without**
 23 **charge.**

24 **Sec. 20. In the year before the year in which the participating**
 25 **political subdivisions are reorganized:**

- 26 (1) the fiscal bodies of the reorganizing political subdivisions
 27 shall, in the manner provided by IC 6-1.1-17, adopt tax levies,
 28 tax rates, and a budget for the reorganized political
 29 subdivision either through the adoption of substantially
 30 identical resolutions adopted by each of the fiscal bodies or
 31 through a joint board established under an agreement of the
 32 fiscal bodies on which the members of each of the fiscal bodies
 33 are represented; and
 34 (2) if the reorganized political subdivision will have elected
 35 offices and different election districts than any of the
 36 participating political subdivisions, the legislative bodies of
 37 the reorganizing political subdivisions shall establish the
 38 election districts either through the adoption of substantially
 39 identical resolutions adopted by each of the legislative bodies
 40 or through a joint board established under an agreement of
 41 the legislative bodies on which the members of each of the
 42 legislative bodies is represented.

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1 **Sec. 21. (a) This section applies to an initial election:**

2 (1) of the members of a governing body or officers that are
3 elected by the voters for a reorganized political subdivision
4 that:

5 (A) is a town; and

6 (B) has town boundaries that encompass part of another
7 town that was part of the reorganization;

8 (2) that is conducted before the reorganization takes effect;
9 and

10 (3) to which IC 3-10-7-1 applies.

11 (b) The members of each precinct board shall be jointly
12 appointed by the town election boards of each of the reorganizing
13 political subdivisions.

14 **Sec. 22. (a) This section applies if section 5 of this chapter**
15 **requires an election for a reorganization to become effective.**

16 (b) At the next:

17 (1) general election, if the reorganized political subdivision is
18 not a municipality or school corporation;

19 (2) municipal election, if the reorganized political subdivision
20 is a municipality; or

21 (3) primary or general election, as specified in an election plan
22 adopted in substantially identical resolutions by the legislative
23 body of each of the participating political subdivisions if the
24 reorganized political subdivision is a school corporation;

25 after the voters approve a reorganization, one (1) set of officers for
26 the reorganized political subdivision having the combined
27 population of the reorganized political subdivision shall be elected
28 by the voters in the territory of the reorganized political
29 subdivision as prescribed by statute.

30 (c) In the election described in subsection (b):

31 (1) one (1) member of the municipal legislative body shall be
32 elected from each election district established by the
33 reorganizing political subdivisions in substantially identical
34 resolutions adopted by the legislative body of each of the
35 reorganizing political subdivisions; and

36 (2) the total number of at large members prescribed by
37 statute for the reorganized political subdivision.

38 (d) One (1) set of appointed officers shall be appointed for the
39 reorganized political subdivision. The appointments shall be made
40 as required by statute for the reorganized political subdivision.
41 Any statute requiring an appointed officer to reside in the political
42 subdivision where the appointed officer resides shall be treated as

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1 permitting the appointed officer to reside in any part of the
2 territory of the reorganized political subdivision.

3 Sec. 23. The legislative bodies of the reorganizing political
4 subdivisions and an adjacent political subdivision may change the
5 boundaries of the reorganized political subdivision by adopting
6 substantially identical resolutions clearly describing the boundary
7 changes. The resolutions must be filed as required by law for a
8 boundary change for the reorganized political subdivision and may
9 not provide for a territory that is smaller than the territory
10 permitted by law for any of the political subdivisions. If the law
11 establishes additional procedures for the annexation or
12 disannexation of the territory of a political subdivision, the political
13 subdivisions changing boundaries must comply with the annexation
14 or disannexation procedures required by law.

15 Sec. 24. A reorganized political subdivision has the powers
16 granted by statute to a political subdivision of the type of the
17 reorganized political subdivision. However, the reorganizing
18 political subdivisions may by agreement provide that the
19 reorganized political subdivision will exercise a power or have the
20 officers or the number of the offices that a statute would have
21 permitted any of the reorganizing political subdivisions to have.

22 Sec. 25. If a law does not permit the reorganized political
23 subdivision to exercise generally throughout the territory of the
24 reorganized political subdivision a power that any of the
25 reorganizing political subdivisions had before the reorganization,
26 the reorganized political subdivision may exercise the power
27 outside the original territory of the reorganizing political
28 subdivision only by following the laws applicable to the expansion
29 of the service area of the reorganizing political subdivision.

30 Sec. 26. (a) Except as provided in subsection (b), if any
31 indebtedness of a reorganizing political subdivision exists after the
32 reorganization, the fiscal body of the reorganized political
33 subdivision shall annually levy a property tax or, if permitted by
34 the original obligation, another tax until the indebtedness is fully
35 paid. The tax rate may not exceed the tax rate necessary to repay
36 the indebtedness and interest on the indebtedness. The tax shall be
37 levied in:

- 38 (1) the area served by the reorganizing political subdivision
- 39 before the reorganization; or
- 40 (2) if permitted in the plan of reorganization, the entire area
- 41 of the reorganized political subdivision.

42 In addition, the reorganized political subdivision may provide for

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the sharing of the revenue of the reorganized political subdivision from any area of the reorganized political subdivision to retire the indebtedness.

(b) This subsection applies if:

- (1) a reorganizing political subdivision incurred an indebtedness before the reorganization became effective; and
- (2) as part of the reorganization, part of the territory of the reorganizing political subdivision was detached and transferred to a political subdivision that is not part of the reorganization.

The political subdivision with the detached area shall annually levy a property tax or, if permitted by the original obligation, another tax until the indebtedness is fully paid. The tax rate may not exceed the tax rate necessary to repay the indebtedness and interest on the indebtedness after deducting the payments made by the reorganized political subdivision under subsection (a). The tax shall be levied in the area served by the reorganizing political subdivision before the reorganization.

Sec. 27. (a) Notwithstanding any other law, an individual:

- (1) who is employed as a firefighter or a police officer by a political subdivision that is reorganized under this article;
- (2) who is a member of the 1977 fund before the effective date of the reorganization under this article; and
- (3) who, after the reorganization, becomes an employee of the fire department, police department, or county police department of the reorganized political subdivision;

remains a member of the 1977 fund without being required to meet the requirements under IC 36-8-8-19 and IC 36-8-8-21. The firefighter or police officer shall receive credit for any service as a member of the 1977 fund before the reorganization to determine the firefighter's or police officer's eligibility for benefits under IC 36-8-8.

(b) Notwithstanding any other law, an individual:

- (1) who is employed as a firefighter by a political subdivision that is reorganized under this article;
- (2) who is a member of the 1937 fund before the effective date of the reorganization under this article; and
- (3) who, after the reorganization, becomes an employee of the fire department of the reorganized political subdivision;

remains a member of the 1937 fund. The firefighter shall receive credit for any service as a member of the 1937 fund before the reorganization to determine the firefighter's eligibility for benefits

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under IC 36-8-7.

(c) Notwithstanding any other law, an individual:

(1) who is employed as a member of a county police department by a political subdivision that is reorganized under this article;

(2) who is a member of the sheriff's pension trust before the effective date of the reorganization under this article; and

(3) who, after the reorganization, becomes a law enforcement officer of the reorganized political subdivision;

remains a member of the sheriff's pension trust. The individual shall receive credit for any service as a member of the sheriff's pension trust before the reorganization to determine the individual's eligibility for benefits under IC 36-8-10.

(d) Notwithstanding any other law, an individual:

(1) who is employed as a police officer by a political subdivision that is reorganized under this article;

(2) who is a member of the 1925 fund or 1953 fund before the effective date of the reorganization under this article; and

(3) who, after the reorganization, becomes an employee of the police department or county police department of the reorganized political subdivision;

remains a member of the 1925 fund or 1953 fund. The police officer shall receive credit for any service as a member of the 1925 fund or 1953 fund before the reorganization to determine the police officer's eligibility for benefits under IC 36-8-6 or IC 36-8-7.5.

(e) Notwithstanding any other law, an individual:

(1) who is employed by a political subdivision that is reorganized under this article;

(2) who is a member of the pre-1996 account (as defined in IC 21-6.1-1-6.9) before the effective date of the reorganization under this article; and

(3) who, after the reorganization, becomes an employee of the reorganized political subdivision in a position that qualifies the individual for service credit in the Indiana state teachers' retirement fund;

remains a member of the pre-1996 account.

Sec. 28. (a) This section applies if the voters of a reorganizing political subdivision have not approved a reorganization under IC 36-1.5-4.

(b) A legislative body of a reorganizing political subdivision may terminate the political subdivision's participation in a

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reorganization at any time before the reorganization becomes finally effective by adopting an ordinance that clearly describes the action. The clerk of the political subdivision shall certify the resolution to the remaining reorganizing political subdivisions. The remaining reorganizing political subdivisions may continue the reorganization without any additional resolutions and the reorganization committee may continue without the members appointed by the withdrawing political subdivision. The withdrawing political subdivision is obligated to reimburse the other reorganizing political subdivisions for a share of the obligations incurred before the date that the political subdivision certifies the resolution to all of the remaining reorganizing political subdivisions. The withdrawing political subdivision's share of the obligations shall be calculated:

- (1) in conformity with the terms of any agreement entered into under section 7 of this chapter; or
- (2) in the absence of a controlling provision, as an amount equal to the relative population of the withdrawing political subdivision relative to the populations of all the withdrawing political subdivision and the remaining reorganizing political subdivisions.

Chapter 6. Cooperative Agreements; General Provisions

Sec. 1. Except as otherwise provided in this article, this chapter applies to a cooperative agreement entered into under this article.

Sec. 2. A cooperative agreement must provide at least for the following:

- (1) Its duration, which may be any of the following:
 - (A) A definite period specified in the cooperative agreement.
 - (B) An indefinite period of time that terminates upon the occurrence of an event described in the cooperative agreement.
 - (C) Any other indefinite period of time that does not terminate under the terms of the cooperative agreement.
- (2) Its purpose.
- (3) The manner of financing, staffing, and supplying any joint undertaking and of establishing and maintaining a budget for any joint undertaking that is the subject of the cooperative agreement.
- (4) The methods that may be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon partial or complete termination.

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(5) The manner in which the cooperative agreement is to be administered, including

(A) administration of a program by one (1) of the entities or an employee of an entity that is a party to the cooperative agreement; or

(B) administration by a separate legal instrumentality or a joint board.

(6) The manner of acquiring, holding, and disposing of real and personal property that is the subject of the cooperative agreement.

Sec. 3. A cooperative agreement may include any condition or term that is necessary or appropriate.

Sec. 4. A cooperative agreement may provide that a political subdivision:

(1) may appropriate and pledge any legally available revenues to the payment of the bonds, leases, or other obligations of another political subdivision that is a party to the cooperative agreement; and

(2) will appropriate legally available revenues for any other payment under the cooperative agreement;

if the political subdivision's fiscal body finds that it is necessary, desirable, and in the best interests of the residents of that political subdivision.

Sec. 5. A cooperative agreement may not permit an entity or another instrumentality established to administer the cooperative agreement to take any action that at least one (1) of the parties to the cooperative agreement could not carry out on its own.

Sec. 6. (a) A cooperative agreement may not permit any person to violate a restriction on taxes, a gift, a grant, or other property acquired by an entity.

(b) A cooperative agreement may permit the transfer of money from a fund for a use other than the purposes of the fund for which the tax is imposed.

Sec. 7. For political subdivisions to enter into a cooperative agreement, all of the following must occur:

(1) The executive of each political subdivision must make a written recommendation to the political subdivision's fiscal body concerning the proposed cooperative agreement. The proposed form of the cooperative agreement must be submitted with the recommendation.

(2) The fiscal body of each political subdivision that is a proposed party to the cooperative agreement must conduct a

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public hearing on the proposed cooperative agreement.

(3) The fiscal body of each political subdivision that is a proposed party to the cooperative agreement must approve the cooperative agreement by resolution.

(4) The executive of each political subdivision that is a proposed party to the cooperative agreement must execute the agreement.

(5) An executed copy of the cooperative agreement must be filed with the county recorder of the county where the political subdivision is located. If a political subdivision is located in more than one (1) county, the cooperative agreement must be filed with the county recorder in the county where the political subdivision has the most population.

Sec. 8. (a) The fiscal body of a political subdivision must conduct a public hearing on the recommendation and proposed cooperative agreement within thirty (30) days after the receipt of the recommendation from the executive. Notice of the public hearing, stating the time, date, and place of the public hearing must be published one (1) time, in accordance with IC 5-3-1, at least ten (10) days before the hearing.

(b) After commencing the public hearing at the date, time, and place stated in the public notice, the public hearing may be recessed and reconvened as determined by the chair conducting the public hearing without publication of additional notices. The date, time, and place for the reconvened meeting must be announced in the public hearing before the public hearing is recessed.

Sec. 9. At the conclusion of the public hearing or in a separate public meeting after the conclusion of the public hearing, the fiscal body may adopt a resolution:

(1) accepting the recommendation of the executive and approving the execution of the proposed cooperative agreement;

(2) accepting the recommendation of the executive, recommending certain modifications to the proposed agreement and approving the execution of the cooperative agreement as modified; or

(3) rejecting the recommendation of the executive.

Sec. 10. (a) This section applies if the fiscal body of at least one (1) political subdivision recommends modifications to the proposed agreement.

(b) The fiscal body of all other political subdivisions

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1 participating in the proposed agreement must also approve the
 2 recommendations for the recommendations to become part of the
 3 cooperative agreement.

4 **Sec. 11.** If a fiscal body of a political subdivision adopts a
 5 resolution described in section 9(1) or 9(2) of this chapter or
 6 section 10 of this chapter, the executive of the political subdivision
 7 shall execute the cooperative agreement as approved by the fiscal
 8 body.

9 **Sec. 12. (a)** This section applies to a cooperative agreement in
 10 which the state is a party.

11 (b) The ultimate authority for the agency or department that
 12 will participate in the cooperative agreement must review and
 13 execute the cooperative agreement.

14 (c) The attorney general must review and approve the
 15 cooperative agreement. The attorney general shall approve the
 16 agreement unless the attorney general finds that it does not comply
 17 with the statutes, in which case the attorney general shall detail in
 18 writing for the executives of the parties the specific respects in
 19 which the agreement does not comply. If the attorney general fails
 20 to disapprove the agreement within sixty (60) days after it is
 21 submitted to the attorney general, it is considered approved.

22 (d) The budget agency must review and approve the cooperative
 23 agreement.

24 (e) If otherwise required by law, the governor must review and
 25 approve the agreement.

26 (f) An executed copy of the agreement must be filed with the
 27 secretary of state.

28 **Sec. 13.** A cooperative agreement does not take effect until the
 29 latest of the following:

30 (1) The date specified in the cooperative agreement or a
 31 modification to the cooperative agreement.

32 (2) The date that the executive of the last political subdivision
 33 that is a proposed party to the cooperative agreement
 34 executes the cooperative agreement and files the executed
 35 cooperative agreement with the county recorder of the county
 36 in which the political subdivision has the largest population.

37 **Sec. 14.** Subject to the terms of the cooperative agreement, a
 38 cooperative agreement may be amended. An amendment may
 39 permit one (1) or more additional political subdivisions or entities
 40 to become parties to the cooperative agreement. The amendment
 41 becomes effective only after all of the parties to the cooperative
 42 agreement follow the procedures required by this chapter for

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entering into a cooperative agreement.

Sec. 15. Subject to the terms of the cooperative agreement, a cooperative agreement may be terminated. An action to terminate a cooperative agreement becomes effective only after all the parties to the cooperative agreement follow the procedures required by this chapter for entering into a cooperative agreement.

Sec. 16. Subject to the terms of the cooperative agreement, a party to the cooperative agreement may withdraw from the cooperative agreement. An action to withdraw from a cooperative agreement must be taken:

- (1) in the manner provided by the cooperative agreement; or
- (2) if the cooperative agreement is silent concerning the manner in which a party may withdraw, only after the party withdrawing from the cooperative agreement takes the actions required for an entity to enter into the cooperative agreement.

Sec. 17. An action to challenge the validity of a cooperative agreement, an amendment to a cooperative agreement, or a termination of a cooperative agreement under this chapter must be brought within fifteen (15) days after the cooperative agreement, amendment, or termination resolution is filed by the executive of the last entity approving the agreement, amendment, or termination resolution.

Sec. 18. An action to challenge the validity of the withdrawal of a participating political subdivision or entity from a cooperative agreement under this chapter must be brought within fifteen (15) days after the political subdivision or entity takes the last step necessary to withdraw from the cooperative agreement.

Sec. 19. If a cooperative agreement under this chapter provides for the appropriation and pledge of legally available revenues, the fiscal body shall annually appropriate sufficient legally available revenues to satisfy the political subdivision's obligation under the agreement.

Chapter 7. Transfer of Funds for Economic Development or Other Purposes

Sec. 1. A political subdivision may enter into a cooperative agreement with an entity to transfer money or other property of the political subdivision to:

- (1) an entity that is a party to the cooperative agreement; or
- (2) an economic development entity established by an entity that has entered into the agreement;

for a purpose described in this chapter.

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1 **Sec. 2. Money or property may be transferred under a**
 2 **cooperative agreement for any of the following purposes:**

3 (1) **An economic development project.**

4 (2) **Any governmental purpose that the political subdivision**
 5 **could carry out without a cooperative agreement within the**
 6 **boundaries of the political subdivision.**

7 **Chapter 8. Consolidation of Elected Officials and Personnel**

8 **Sec. 1. This chapter does not apply to any of the following:**

9 (1) **A judge.**

10 (2) **An executive, a legislative body, or a fiscal body of a unit**
 11 **that is not a reorganizing political subdivision.**

12 (3) **A school board office that is not a school board office for**
 13 **a reorganizing political subdivision.**

14 **Sec. 2. A political subdivision may enter into a cooperative**
 15 **agreement with an entity to share the services of an employee**
 16 **employed by any entity to the agreement.**

17 **Sec. 3. The cooperative agreement may transfer the functions of**
 18 **an employee of a political subdivision, including an elected office,**
 19 **to another employee. The functions of an elected office may only be**
 20 **transferred to another elected office.**

21 **Sec. 4. The cooperative agreement may provide for an elected**
 22 **office to be abolished.**

23 **Sec. 5. A cooperative agreement transferring an elected office**
 24 **becomes effective only at the end of the term of the incumbent that**
 25 **holds the office when the cooperative agreement is filed with the**
 26 **county recorder.**

27 **Sec. 6. A termination of a cooperative agreement that transfers**
 28 **the functions of an elected office is effective only at the end of a**
 29 **year in which a general election is held. A political subdivision may**
 30 **terminate, including withdrawing from, a cooperative agreement**
 31 **after January 15 of the year in which it becomes effective.**

32 **Sec. 7. Until the cooperative agreement is terminated, an**
 33 **election for an elected office that is transferred to another elected**
 34 **office shall not be held after the cooperative agreement**
 35 **transferring the functions of the office is filed with the county**
 36 **recorder of the county where the election would otherwise be held.**

37 **Sec. 8. Any law, rule, or agreement that requires or permits an**
 38 **action by an employee or elected officer after the functions of the**
 39 **employee or elected officer are transferred shall be treated as**
 40 **referring to the employee or elected officer to which the functions**
 41 **have been transferred by the cooperative agreement.**

42 **Chapter 9. Joint Taxing Districts; Administration**

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1 **Sec. 1.** As used in this chapter, "provider political subdivision"
 2 refers to the participating political subdivision that is responsible
 3 for providing the services within the territory.

4 **Sec. 2.** As used in this chapter, "territory" refers to a
 5 governmental service territory established by a cooperative
 6 agreement.

7 **Sec. 3.** A political subdivision may enter into a cooperative
 8 agreement with one (1) or more other political subdivisions to
 9 provide a government service in a territory through a provider
 10 political subdivision. Each political subdivision that is a party to
 11 the cooperative agreement must be adjacent to at least one (1)
 12 other political subdivision that is a participating political
 13 subdivision.

14 **Sec. 4.** The notice of the public hearing required under
 15 IC 36-1.5-6 for a cooperative agreement under this chapter must
 16 include all the following:

- 17 (1) A list of the provider political subdivision and all
- 18 participating political subdivisions in the proposed territory.
- 19 (2) A description of the service to be provided.
- 20 (3) The date, time, and location of the hearing.
- 21 (4) The location where the public can inspect the proposed
- 22 ordinance or resolution.
- 23 (5) A statement as to whether the proposed ordinance or
- 24 resolution requires uniform tax rates or different tax rates
- 25 within the territory.
- 26 (6) The name and telephone number of a representative of the
- 27 political subdivision who may be contacted for further
- 28 information.

29 **Sec. 5.** A cooperative agreement under this chapter must include
 30 the following:

- 31 (1) A description of the activity to be conducted, the service to
- 32 be provided, or the project to be undertaken, managed,
- 33 operated, or maintained by the territory.
- 34 (2) The boundaries of the proposed territory.
- 35 (3) The identity of the provider political subdivision and all
- 36 other participating political subdivisions desiring to be
- 37 included within the territory.
- 38 (4) The sources of funding for the territory including any
- 39 combination of the following:
- 40 (A) Local option revenue under IC 6-3.5.
- 41 (B) Property taxes that are either:
- 42 (i) imposed at a uniform tax rate upon all of the taxable

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property within the territory for the governmental services; or

(ii) imposed at different tax rates for the governmental services for the political subdivisions desiring to be included within the territory, so long as a tax rate applies uniformly to all of a political subdivision's taxable property within the territory.

(5) The agreement, or an executive summary of the agreement, to establish the territory. If the ordinance or resolution includes an executive summary of the agreement establishing the territory, the ordinance or resolution must incorporate the remainder of the agreement by reference.

Sec. 6. A cooperative agreement under this chapter becomes effective on the later of the following:

(1) The date specified in IC 36-1.5-6.

(2) July 1 of the year the ordinance or resolution is adopted.

Sec. 7. A property tax levied in the territory must be levied at:

(1) a uniform rate upon all taxable property within the territory; or

(2) different rates for the political subdivisions included within the territory, so long as a tax rate applies uniformly to all of a political subdivision's taxable property within the territory.

Sec. 8. (a) When the cooperative agreement under this chapter is effective, the provider political subdivision must establish a governmental service fund from which all expenses of operating and maintaining the governmental services within the territory, including repairs, fees, salaries, depreciation on all depreciable assets, rents, supplies, contingencies, and all other expenses lawfully incurred within the territory shall be paid. The purposes described in this subsection are the sole purposes of the fund and money in the fund may not be used for any other expenses. Except as permitted under sections 9 and 10 of this chapter, the provider political subdivision is not authorized to transfer money out of the fund at any time.

(b) The fund consists of the following:

(1) All receipts from the tax imposed under this section.

(2) Any money transferred to the fund by the provider political subdivision as authorized under subsection (c).

(c) The provider political subdivision, with the assistance of each of the other participating political subdivisions, shall annually budget the necessary money to meet the expenses of providing the

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1 governmental services within the territory, plus a reasonable
 2 operating balance, not to exceed twenty percent (20%) of the
 3 budgeted expenses. After estimating expenses and receipts of
 4 money, the provider political subdivision shall establish the
 5 property tax levy then required to fund the estimated budget. The
 6 amount budgeted under this subsection shall be considered a part
 7 of each of the participating political subdivision's budget.

8 **Sec. 9.** If the amount levied in a particular year is insufficient to
 9 cover the costs incurred in providing the governmental services
 10 within the territory, the provider political subdivision may transfer
 11 from available sources to the governmental services fund the
 12 money needed to cover those costs. In this case:

13 (1) the transfers from the local option revenue or the property
 14 tax levy in the following year shall be increased by the amount
 15 needed to cover the shortfall; and

16 (2) the provider political subdivision is entitled to transfer the
 17 amount described in subdivision (1) from the fund as
 18 reimbursement to the provider political subdivision.

19 **Sec. 10.** If the amount of local option revenue plus property
 20 taxes levied in a particular year exceed the amount necessary to
 21 cover the costs incurred in providing the governmental services
 22 within the territory, the local option revenue transferred or the
 23 property tax levy in the following year shall be reduced by the
 24 amount of surplus money. All participating political subdivisions
 25 must agree to the amount to be transferred by adoption of identical
 26 ordinances specifying the amount.

27 **Sec. 11. (a)** The department of local government finance, when
 28 approving a rate and levy fixed by the provider political
 29 subdivision, shall verify that a duplication of tax levies does not
 30 exist within participating political subdivisions, so that taxpayers
 31 do not bear two (2) levies for the same service, except as provided
 32 by subsection (b) or (c).

33 (b) A political subdivision that incurred indebtedness before
 34 becoming a participating political subdivision under this chapter
 35 for any governmental services provided by the political subdivision
 36 before becoming a participating political subdivision shall continue
 37 to repay that indebtedness by levies within the boundaries of the
 38 political subdivision until the indebtedness is paid in full.

39 (c) A political subdivision that agreed to the borrowing of
 40 money while a participating political subdivision under this
 41 chapter shall continue to repay the political subdivision's share of
 42 that indebtedness by transferring local option revenue or imposing

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1 a property tax within the boundaries of the political subdivision
2 until the indebtedness is paid in full.

3 Sec. 12. (a) This section applies to a territory established by two
4 (2) or more townships.

5 (b) Any area that is:

6 (A) part of a territory; and

7 (B) annexed by a municipality that is not a part of the
8 territory;

9 ceases to be a part of the territory when the municipality begins to
10 provide the substantially similar governmental services to the area.

11 Sec. 13. If a political subdivision elects to withdraw from a
12 governmental services territory established under this chapter, the
13 political subdivision must after January 1 but before April 1, adopt
14 an ordinance or resolution (if the political subdivision is not a unit)
15 providing for the withdrawal. An ordinance adopted under this
16 section takes effect July 1 of the year that the ordinance or
17 resolution (if the political subdivision is not a unit) is adopted.

18 SECTION 246. IC 36-2-5-3 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) The county fiscal
20 body shall fix the compensation of officers, deputies, and other
21 employees whose compensation is payable from the county general
22 fund, county highway fund, county health fund, county park and
23 recreation fund, aviation fund, or any other fund from which the county
24 auditor issues warrants for compensation. This includes the power to:

25 (1) fix the number of officers, deputies, and other employees;

26 (2) describe and classify positions and services;

27 (3) adopt schedules of compensation; and

28 (4) hire or contract with persons to assist in the development of
29 schedules of compensation.

30 (b) The county fiscal body shall provide for a county assessor ~~or~~
31 ~~elected township assessor~~ who has attained a level two certification
32 under IC 6-1.1-35.5 to receive annually one thousand dollars (\$1,000),
33 which is in addition to and not part of the annual compensation of the
34 assessor. The county fiscal body shall provide for a county ~~or township~~
35 deputy assessor who has attained a level two certification under
36 IC 6-1.1-35.5 to receive annually five hundred dollars (\$500), which is
37 in addition to and not part of the annual compensation of the county ~~or~~
38 ~~township~~ deputy assessor.

39 (c) Notwithstanding subsection (a), the board of each local health
40 department shall prescribe the duties of all its officers and employees,
41 recommend the number of positions, describe and classify positions
42 and services, adopt schedules of compensation, and hire and contract

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with persons to assist in the development of schedules of compensation.

(d) This section does not apply to community corrections programs (as defined in IC 11-12-1-1 and IC 35-38-2.6-2).

SECTION 247. IC 36-2-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Before the Thursday after the first Monday in August of each year, each county officer ~~and township assessor~~ shall prepare an itemized estimate of the amount of money required for ~~his~~ **the officer's** office for the next calendar year. Each budget estimate under this section must include:

- (1) the compensation of the officer;
 - (2) the expense of employing deputies;
 - (3) the expense of office supplies, itemized by the quantity and probable cost of each kind of supplies;
 - (4) the expense of litigation for the office; and
 - (5) other expenses of the office, specifically itemized;
- that are payable out of the county treasury.

(b) If all or part of the expenses of a county office may be paid out of the county treasury, but only under an order of the county executive to that effect, the expenses of the office shall be included in the officer's budget estimate and may not be included in the county executive's budget estimate.

SECTION 248. IC 36-2-6-4.5, AS AMENDED BY P.L.234-2005, SECTION 191, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) A county executive may adopt an ordinance allowing money to be disbursed for lawful county purposes under this section.

(b) Notwithstanding IC 5-11-10, with the prior written approval of the board having jurisdiction over the allowance of claims, the county auditor may make claim payments in advance of board allowance for the following kinds of expenses if the county executive has adopted an ordinance under subsection (a):

- (1) Property or services purchased or leased from the United States government, its agencies, or its political subdivisions.
- (2) License or permit fees.
- (3) Insurance premiums.
- (4) Utility payments or utility connection charges.
- (5) General grant programs where advance funding is not prohibited and the contracting party posts sufficient security to cover the amount advanced.
- (6) Grants of state funds authorized by statute.
- (7) Maintenance or service agreements.

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- (8) Leases or rental agreements.
- (9) Bond or coupon payments.
- (10) Payroll.
- (11) State or federal taxes.
- (12) Expenses that must be paid because of emergency circumstances.
- (13) Expenses described in an ordinance.
- (14) Expenses incurred under a procurement contract under IC 31-33-1.5-10.

(c) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and certification by the county auditor.

(d) The county executive or the county board having jurisdiction over the allowance of the claim shall review and allow the claim at its next regular or special meeting following the preapproved payment of the expense.

~~(e) A payment of expenses under this section must be published in the manner provided under section 3 of this chapter.~~

SECTION 249. IC 36-2-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) The county executive or a court may not make an allowance to a county officer for:

- (1) services rendered in a criminal action;
- (2) services rendered in a civil action; or
- (3) extra services rendered in ~~his~~ **the county officer's** capacity as a county officer.

(b) The county executive may make an allowance to the clerk of the circuit court, county auditor, county treasurer, county sheriff, ~~township assessor,~~ or county assessor, or to any of those officers' employees, only if:

- (1) the allowance is specifically required by law; or
- (2) the county executive finds, on the record, that the allowance is necessary in the public interest.

(c) A member of the county executive who recklessly violates subsection (b) commits a Class C misdemeanor and forfeits ~~his~~ **the member's** office.

SECTION 250. IC 36-2-6-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 22. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

- (1) Assessed value.
- (2) Exemption.
- (3) Owner.
- (4) Person.

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(5) Property taxation.

(6) Real property.

~~(7) Township assessor.~~

(b) As used in this section, "PILOTS" means payments in lieu of taxes.

(c) As used in this section, "property owner" means the owner of real property described in IC 6-1.1-10-16.7 that is not located in a county containing a consolidated city.

(d) Subject to the approval of a property owner, the fiscal body of a county may adopt an ordinance to require the property owner to pay PILOTS at times set forth in the ordinance with respect to real property that is subject to an exemption under IC 6-1.1-10-16.7. The ordinance remains in full force and effect until repealed or modified by the legislative body, subject to the approval of the property owner.

(e) The PILOTS must be calculated so that the PILOTS are in an amount equal to the amount of property taxes that would have been levied upon the real property described in subsection (d) if the property were not subject to an exemption from property taxation.

(f) PILOTS shall be imposed in the same manner as property taxes and shall be based on the assessed value of the real property described in subsection (d). The ~~township assessors~~ **county assessor** shall assess the real property described in subsection (d) as though the property were not subject to an exemption.

(g) PILOTS collected under this section shall be distributed in the same manner as if they were property taxes being distributed to taxing units in the county.

(h) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as taxes for purposes of all procedural and substantive provisions of law.

SECTION 251. IC 36-2-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. ~~(a)~~ The county assessor shall perform the functions assigned by statute to the county assessor, including the following:

~~(1) Countywide equalization.~~

~~(2)~~ **(1)** Selection and maintenance of a countywide computer system.

~~(3)~~ **(2)** Certification of gross assessments to the county auditor.

~~(4)~~ **(3)** Discovery of omitted property.

(4) Perform the assessment duties prescribed by IC 6-1.1.

(5) Administration of the dog tax, as prescribed by IC 15-5-9.

~~(b)~~ The county assessor shall perform the functions of an assessing

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official under IC 36-6-5-2 in a township with a township assessor-trustee if the township assessor-trustee:

- (1) fails to make a report that is required by law;
- (2) fails to deliver a property tax record to the appropriate officer or board;
- (3) fails to deliver an assessment to the county assessor; or
- (4) fails to perform any other assessing duty as required by statute or rule of the department of local government finance;

within the time period prescribed by statute or rule of the department or within a later time that is necessitated by reason of another official failing to perform the official's functions in a timely manner.

(c) A township with a township trustee-assessor may, with the consent of the township board, enter into an agreement with:

- (1) the county assessor; or
- (2) another township assessor in the county;

to perform any of the functions of an assessing official. A township trustee-assessor may not contract for the performance of any function for a period of time that extends beyond the completion of the township trustee-assessor's term of office.

SECTION 252. IC 36-2-19-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. In a township county in which IC 6-1.1-5-9 or IC 6-1.1-5-9.1 applies, the county surveyor shall file a duplicate copy of any plat described in section 4 of this chapter with the township county assessor.

SECTION 253. IC 36-3-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) The general assembly finds the following:

(1) That the tax base of the consolidated city and the county have been significantly eroded through the ownership of tangible property by separate municipal corporations and other public entities that operate as private enterprises yet are exempt or whose property is exempt from property taxation.

(2) That to restore this tax base and provide a proper allocation of the cost of providing governmental services the legislative body of the consolidated city and county should be authorized to collect payments in lieu of taxes from these public entities.

(3) That the appropriate maximum payments in lieu of taxes would be the amount of the property taxes that would be paid if the tangible property were not subject to an exemption.

(b) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

- (1) Assessed value.

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(2) Exemption.

(3) Owner.

(4) Person.

(5) Personal property.

(6) Property taxation.

(7) Tangible property.

~~(8) Township assessor.~~

(c) As used in this section, "PILOTS" means payments in lieu of taxes.

(d) As used in this section, "public entity" means any of the following government entities in the county:

(1) An airport authority operating under IC 8-22-3.

(2) A capital improvement board of managers under IC 36-10-9.

(3) A building authority operating under IC 36-9-13.

(4) A wastewater treatment facility.

(e) The legislative body of the consolidated city may adopt an ordinance to require a public entity to pay PILOTS at times set forth in the ordinance with respect to:

(1) tangible property of which the public entity is the owner or the lessee and that is subject to an exemption;

(2) tangible property of which the owner is a person other than a public entity and that is subject to an exemption under IC 8-22-3; or

(3) both.

The ordinance remains in full force and effect until repealed or modified by the legislative body.

(f) The PILOTS must be calculated so that the PILOTS may be in any amount that does not exceed the amount of property taxes that would have been levied by the legislative body for the consolidated city and county upon the tangible property described in subsection (e) if the property were not subject to an exemption from property taxation.

(g) PILOTS shall be imposed as are property taxes and shall be based on the assessed value of the tangible property described in subsection (e). ~~The township assessors~~ **county assessor** shall assess the tangible property described in subsection (e) as though the property were not subject to an exemption. The public entity shall report the value of personal property in a manner consistent with IC 6-1.1-3.

(h) Notwithstanding any law to the contrary, a public entity is authorized to pay PILOTS imposed under this section from any legally available source of revenues. The public entity may consider these payments to be operating expenses for all purposes.

(i) PILOTS shall be deposited in the consolidated county fund and

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1 used for any purpose for which the consolidated county fund may be
2 used.

3 (j) PILOTS shall be due as set forth in the ordinance and bear
4 interest, if unpaid, as in the case of other taxes on property. PILOTS
5 shall be treated in the same manner as taxes for purposes of all
6 procedural and substantive provisions of law.

7 (k) PILOTS imposed on a wastewater treatment facility may be paid
8 only from the cash earnings of the facility remaining after provisions
9 have been made to pay for current obligations, including:

- 10 (1) operating and maintenance expenses;
- 11 (2) payment of principal and interest on any bonded indebtedness;
- 12 (3) depreciation or replacement fund expenses;
- 13 (4) bond and interest sinking fund expenses; and
- 14 (5) any other priority fund requirements required by law or by any
15 bond ordinance, resolution, indenture, contract, or similar
16 instrument binding on the facility.

17 SECTION 254. IC 36-3-2-11 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) As used in this
19 section, the following terms have the meanings set forth in IC 6-1.1-1:

- 20 (1) Assessed value.
- 21 (2) Exemption.
- 22 (3) Owner.
- 23 (4) Person.
- 24 (5) Property taxation.
- 25 (6) Real property.
- 26 ~~(7) Township assessor.~~

27 (b) As used in this section, "PILOTS" means payments in lieu of
28 taxes.

29 (c) As used in this section, "property owner" means the owner of
30 real property described in IC 6-1.1-10-16.7 that is located in a county
31 with a consolidated city.

32 (d) Subject to the approval of a property owner, the legislative body
33 of the consolidated city may adopt an ordinance to require the property
34 owner to pay PILOTS at times set forth in the ordinance with respect
35 to real property that is subject to an exemption under IC 6-1.1-10-16.7.
36 The ordinance remains in full force and effect until repealed or
37 modified by the legislative body, subject to the approval of the property
38 owner.

39 (e) The PILOTS must be calculated so that the PILOTS are in an
40 amount that is:

- 41 (1) agreed upon by the property owner and the legislative body of
42 the consolidated city;

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(2) a percentage of the property taxes that would have been levied by the legislative body for the consolidated city and the county upon the real property described in subsection (d) if the property were not subject to an exemption from property taxation; and

(3) not more than the amount of property taxes that would have been levied by the legislative body for the consolidated city and county upon the real property described in subsection (d) if the property were not subject to an exemption from property taxation.

(f) PILOTS shall be imposed as are property taxes and shall be based on the assessed value of the real property described in subsection (d). The ~~township assessors~~ **county assessor** shall assess the real property described in subsection (d) as though the property were not subject to an exemption.

(g) PILOTS collected under this section shall be deposited in the housing trust fund established under IC 36-7-15.1-35.5 and used for any purpose for which the housing trust fund may be used.

(h) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as taxes for purposes of all procedural and substantive provisions of law.

SECTION 255. IC 36-3-6-4, AS AMENDED BY P.L.227-2005, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) Before the Wednesday after the first Monday in July each year, the consolidated city and county shall prepare budget estimates for the ensuing budget year under this section.

(b) The following officers shall prepare for their respective departments, offices, agencies, or courts an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure they anticipate:

(1) The director of each department of the consolidated city.

(2) Each ~~township assessor~~, elected county officer or head of a county agency.

(3) The county clerk, for each court ~~of which he is the clerk~~ **serves.**

(c) In addition to the estimates required by subsection (b), the county clerk shall prepare an estimate of the amount of money that is, under law, taxable against the county for the expenses of cases tried in other counties on changes of venue.

(d) Each officer listed in subsection (b)(2) or (b)(3) shall append a certificate to each estimate the officer prepares stating that in the officer's opinion the amount fixed in each item will be required for the purpose indicated. The certificate must be verified by the oath of the

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officer.

(e) An estimate for a court or division of a court is subject to modification and approval by the judge of the court or division.

(f) All of the estimates prepared by city officers and county officers shall be submitted to the controller.

(g) The controller shall also prepare an itemized estimate of city and county expenditures for other purposes above the money proposed to be used by the city departments and county officers and agencies.

SECTION 256. IC 36-3-7-5, AS AMENDED BY P.L.131-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Liens for taxes levied by the consolidated city are perfected when evidenced on the tax duplicate in the office of the treasurer of the county.

(b) Liens created when the city enters upon property to make improvements to bring it into compliance with a city ordinance, and liens created upon failure to pay charges assessed by the city for services shall be certified to the auditor, after the adoption of a resolution confirming the incurred expense by the appropriate city department, board, or other agency. In addition, the resolution must state the name of the owner as it appears on the ~~township~~ county assessor's record and a description of the property.

(c) The amount of a lien shall be placed on the tax duplicate by the auditor in the nature of a delinquent tax subject to enforcement and collection as otherwise provided under IC 6-1.1-22, IC 6-1.1-24, and IC 6-1.1-25. However, the amount of the lien is not considered a tax within the meaning of IC 6-1.1-21-2(b) and shall not be included as a part of either a total county tax levy under IC 6-1.1-21-2(g) or the tax liability of a taxpayer under IC 6-1.1-21-5 for purposes of the tax credit computations under IC 6-1.1-21-4 and IC 6-1.1-21-5.

SECTION 257. IC 36-5-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. A petition for incorporation must be accompanied by the following items, to be supplied at the expense of the petitioners:

(1) A survey, certified by a surveyor registered under IC 25-21.5, showing the boundaries of and quantity of land contained in the territory sought to be incorporated.

(2) An enumeration of the territory's residents and landowners and their mailing addresses, completed not more than thirty (30) days before the time of filing of the petition and verified by the persons supplying it.

(3) A statement of the assessed valuation of all real property within the territory, certified by the ~~assessors of the townships~~ in

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1 ~~which the territory is located.~~ **county assessor.**

2 (4) A statement of the services to be provided to the residents of
3 the proposed town and the approximate times at which they are to
4 be established.

5 (5) A statement of the estimated cost of the services to be
6 provided and the proposed tax rate for the town.

7 (6) The name to be given to the proposed town.

8 SECTION 258. IC 36-6-1.5-7, AS ADDED BY P.L.240-2005,
9 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2007]: Sec. 7. If township governments merge under this
11 chapter,

12 ~~(1) IC 36-6-6 applies to the election of the township board and~~

13 ~~(2) IC 36-6-5-1 applies to the election of a township assessor;~~
14 of the new township government.

15 SECTION 259. IC 36-6-4-3, AS AMENDED BY P.L.73-2005,
16 SECTION 173, AND AS AMENDED BY P.L.227-2005, SECTION
17 36, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2007]: Sec. 3. The executive shall do the
19 following:

20 (1) Keep a written record of official proceedings.

21 (2) Manage all township property interests.

22 (3) Keep township records open for public inspection.

23 (4) Attend all meetings of the township legislative body.

24 (5) Receive and pay out township funds.

25 (6) Examine and settle all accounts and demands chargeable
26 against the township.

27 (7) Administer ~~poor relief~~ *township assistance* under IC 12-20
28 and IC 12-30-4.

29 (8) Perform the duties of fence viewer under IC 32-26.

30 ~~(9) Act as township assessor when required by IC 36-6-5.~~

31 ~~(10) (9)~~ (9) Provide and maintain cemeteries under IC 23-14.

32 ~~(11) (10)~~ (10) Provide fire protection under IC 36-8, *except in a*
33 *township that:*

34 *(A) is located in a county having a consolidated city; and*

35 *(B) consolidated the township's fire department under*
36 *IC 36-3-1-6.1.*

37 ~~(12) (11)~~ (11) File an annual personnel report under IC 5-11-13.

38 ~~(13) (12)~~ (12) Provide and maintain township parks and community
39 centers under IC 36-10.

40 ~~(14) (13)~~ (13) Destroy detrimental plants, noxious weeds, and rank
41 vegetation under IC 15-3-4.

42 ~~(15) (14)~~ (14) Provide insulin to the poor under IC 12-20-16.

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~~(+6)~~ (15) Perform other duties prescribed by statute.

SECTION 260. IC 36-6-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. ~~(a) This section does not apply to the appropriation of money to pay a deputy, an employee, or a technical adviser that assists a township assessor with assessment duties or to an elected township assessor.~~

~~(b)~~ (a) The township legislative body shall fix the:

(1) salaries;

(2) wages;

(3) rates of hourly pay; and

(4) remuneration other than statutory allowances;

of all officers and employees of the township.

~~(e) Subject to subsection (d);~~ (b) The township legislative body may reduce the salary of an elected or appointed official. However, the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

~~(d) Except as provided in subsection (e);~~ (c) The township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but it may add or eliminate any other position and change the salary of any other employee, if the necessary funds and appropriations are available.

(e) In a township that does not elect a township assessor under IC 36-6-5-1, the township legislative body may appropriate available township funds to supplement the salaries of elected or appointed officers to compensate them for performing assessing duties. However, in any calendar year no officer or employee may receive a salary and additional salary supplements which exceed the salary fixed for that officer or employee under subsection (b).

~~(f)~~ (d) If a change in the mileage allowance paid to state officers and employees is established by July 1 of any year, that change shall be included in the compensation fixed for the township executive ~~and assessor~~ under this section, to take effect January 1 of the next year. However, the township legislative body may by ordinance provide for the change in the sum per mile to take effect before January 1 of the next year.

~~(g)~~ (e) The township legislative body may not reduce the salary of the township executive without the consent of the township executive during the term of office of the township executive as set forth in IC 36-6-4-2.

~~(h)~~ (f) This subsection applies when a township executive dies or resigns from office. The person filling the vacancy of the township

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executive shall receive at least the same salary the previous township executive received for the remainder of the unexpired term of office of the township executive (as set forth in IC 36-6-4-2), unless the person consents to a reduction in salary.

SECTION 261. IC 36-7-11.2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. As used in this chapter, "notice" means written notice:

(1) served personally upon the person, official, or office entitled to the notice; or

(2) served upon the person, official, or office by placing the notice in the United States mail, first class postage prepaid, properly addressed to the person, official, or office. Notice is considered served if mailed in the manner prescribed by this subdivision properly addressed to the following:

(A) The governor, both to the address of the governor's official residence and to the governor's executive office in Indianapolis.

(B) The Indiana department of transportation, to the commissioner.

(C) The department of natural resources, both to the director of the department and to the director of the department's division of historic preservation and archeology.

(D) The department of metropolitan development.

(E) An occupant, to:

(i) the person by name; or

(ii) if the name is unknown, to the "Occupant" at the address of the Meridian Street or bordering property occupied by the person.

(F) An owner, to the person by the name shown to be the name of the owner, and at the person's address, as the address appears in the records in the bound volumes of the most recent real estate tax assessment records as the records appear in the ~~offices office~~ of the ~~township assessors~~ **county assessor** in Marion County.

(G) A neighborhood association or the society, to the organization at the latest address as shown in the records of the commission.

SECTION 262. IC 36-7-11.2-58 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 58. (a) A person who has filed a petition under section 56 or 57 of this chapter shall, not later than ten (10) days after the filing, serve notice upon all interested parties. The notice must state the following:

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(1) The full name and address of the following:

(A) The petitioner.

(B) Each attorney acting for and on behalf of the petitioner.

(2) The street address of the Meridian Street and bordering property for which the petition was filed.

(3) The name of the owner of the property.

(4) The full name and address of, and the type of business, if any, conducted by:

(A) each person who at the time of the filing is a party to; and

(B) each person who is a disclosed or an undisclosed principal for whom the party was acting as agent in entering into;

a contract of sale, lease, option to purchase or lease, agreement to build or develop, or other written agreement of any kind or nature concerning the subject property or the present or future ownership, use, occupancy, possession, or development of the subject property.

(5) A description of the contract of sale, lease, option to purchase or lease, agreement to build or develop, or other written agreement sufficient to disclose the full nature of the interest of the party or of the party's principal in the subject property or in the present or future ownership, use, occupancy, possession, or development of the subject property.

(6) A description of the proposed use for which the rezoning or zoning variance is sought, sufficiently detailed to appraise the notice recipient of the true character, nature, extent, and physical properties of the proposed use.

(7) The date of the filing of the petition.

(8) The date, time, and place of the next regular meeting of the commission if a petition is for approval of a zoning variance. If a petition is filed with the development commission, the notice does not have to specify the date of a hearing before the commission or the development commission. However, the person filing the petition shall give ten (10) days notice of the date, time, and place of a hearing before the commission on the petition after the referral of the petition to the commission by the development commission.

(b) For purposes of giving notice to the interested parties who are owners, the records in the bound volumes of the recent real estate tax assessment records as the records appear in the ~~offices~~ **office** of the **township assessors county assessor** as of the date of filing are considered determinative of the persons who are owners.

SECTION 263. IC 36-7-11.3-6 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. As used in this
2 chapter, "notice" means written notice:

3 (1) served personally upon the person, official, or office entitled
4 to the notice; or

5 (2) served upon the person, official, or office by placing the notice
6 in the United States mail, first class postage prepaid, properly
7 addressed to the person, official, or office. Notice is considered
8 served if mailed in the manner prescribed by this subdivision
9 properly addressed to the following:

10 (A) The governor, both to the address of the governor's official
11 residence and to the governor's executive office in
12 Indianapolis.

13 (B) The Indiana department of transportation, to the
14 commissioner.

15 (C) The department of natural resources, both to the director
16 of the department and to the director of the department's
17 division of historic preservation and archeology.

18 (D) The municipal plan commission.

19 (E) An occupant, to:

20 (i) the person by name; or

21 (ii) if the name is unknown, to the "Occupant" at the address
22 of the primary or secondary property occupied by the person.

23 (F) An owner, to the person by the name shown to be the name
24 of the owner, and at the person's address, as appears in the
25 records in the bound volumes of the most recent real estate tax
26 assessment records as the records appear in the ~~offices~~ **office**
27 of the ~~township assessors~~ **in the county assessor**.

28 (G) The society, to the organization at the latest address as
29 shown in the records of the commission.

30 SECTION 264. IC 36-7-11.3-52 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 52. (a) A person who
32 has filed a petition under section 50 or 51 of this chapter shall, not later
33 than ten (10) days after the filing, serve notice upon all interested
34 parties. The notice must state the following:

35 (1) The full name and address of the following:

36 (A) The petitioner.

37 (B) Each attorney acting for and on behalf of the petitioner.

38 (2) The street address of the primary and secondary property for
39 which the petition was filed.

40 (3) The name of the owner of the property.

41 (4) The full name and address of and the type of business, if any,
42 conducted by:

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- 1 (A) each person who at the time of the filing is a party to; and
 2 (B) each person who is a disclosed or an undisclosed principal
 3 for whom the party was acting as agent in entering into;
 4 a contract of sale, lease, option to purchase or lease, agreement to
 5 build or develop, or other written agreement of any kind or nature
 6 concerning the subject property or the present or future
 7 ownership, use, occupancy, possession, or development of the
 8 subject property.
 9 (5) A description of the contract of sale, lease, option to purchase
 10 or lease, agreement to build or develop, or other written
 11 agreement sufficient to disclose the full nature of the interest of
 12 the party or of the party's principal in the subject property or in
 13 the present or future ownership, use, occupancy, possession, or
 14 development of the subject property.
 15 (6) A description of the proposed use for which the rezoning or
 16 zoning variance is sought, sufficiently detailed to appraise the
 17 notice recipient of the true character, nature, extent, and physical
 18 properties of the proposed use.
 19 (7) The date of the filing of the petition.
 20 (8) The date, time, and place of the next regular meeting of the
 21 commission if a petition is for approval of a zoning variance. If a
 22 petition is filed with the development commission, the notice does
 23 not have to specify the date of a hearing before the commission or
 24 the development commission. However, the person filing the
 25 petition shall give ten (10) days notice of the date, time, and place
 26 of a hearing before the commission on the petition after the
 27 referral of the petition to the commission by the development
 28 commission.
 29 (b) For purposes of giving notice to the interested parties who are
 30 owners, the records in the bound volumes of the recent real estate tax
 31 assessment records as the records appear in the ~~offices~~ **office** of the
 32 ~~township assessors~~ **county assessor** as of the date of filing are
 33 considered determinative of the persons who are owners.
 34 SECTION 265. IC 36-7-15.1-32 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 32. (a) The commission
 36 must establish a program for housing. The program, which may include
 37 such elements as the commission considers appropriate, must be
 38 adopted as part of a redevelopment plan or amendment to a
 39 redevelopment plan, and must establish an allocation area for purposes
 40 of sections 26 and 35 of this chapter for the accomplishment of the
 41 program.
 42 (b) The notice and hearing provisions of sections 10 and 10.5 of this

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chapter apply to the resolution adopted under subsection (a). Judicial review of the resolution may be made under section 11 of this chapter.

(c) Before formal submission of any housing program to the commission, the department shall consult with persons interested in or affected by the proposed program and provide the affected neighborhood associations, residents, and ~~township assessors~~ **county assessor** with an adequate opportunity to participate in an advisory role in planning, implementing, and evaluating the proposed program. The department may hold public meetings in the affected neighborhood to obtain the views of neighborhood associations and residents.

SECTION 266. IC 36-7-30-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 31. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

- (1) Assessed value.
- (2) Owner.
- (3) Person.
- (4) Personal property.
- (5) Property taxation.
- (6) Tangible property.
- ~~(7) Township assessor.~~

(b) As used in this section, "PILOTS" means payments in lieu of taxes.

(c) The general assembly finds the following:

- (1) That the closing of a military base in a unit results in an increased cost to the unit of providing governmental services to the area formerly occupied by the military base.
- (2) That military base property held by a reuse authority is exempt from property taxation, resulting in the lack of an adequate tax base to support the increased governmental services.
- (3) That to restore this tax base and provide a proper allocation of the cost of providing governmental services the fiscal body of the unit should be authorized to collect PILOTS from the reuse authority.
- (4) That the appropriate maximum PILOTS would be the amount of the property taxes that would be paid if the tangible property were not exempt.

(d) The fiscal body of the unit may adopt an ordinance to require a reuse authority to pay PILOTS at times set forth in the ordinance with respect to tangible property of which the reuse authority is the owner or the lessee and that is exempt from property taxes. The ordinance remains in full force and effect until repealed or modified by the fiscal body.

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(e) The PILOTS must be calculated so that the PILOTS do not exceed the amount of property taxes that would have been levied by the fiscal body for the unit upon the tangible property described in subsection (d) if the property were not exempt from property taxation.

(f) PILOTS shall be imposed as are property taxes and shall be based on the assessed value of the tangible property described in subsection (d). The ~~township assessors~~ **county assessor** shall assess the tangible property described in subsection (d) as though the property were not exempt. The reuse authority shall report the value of personal property in a manner consistent with IC 6-1.1-3.

(g) Notwithstanding any other law, a reuse authority is authorized to pay PILOTS imposed under this section from any legally available source of revenues. The reuse authority may consider these payments to be operating expenses for all purposes.

(h) PILOTS shall be deposited in the general fund of the unit and used for any purpose for which the general fund may be used.

(i) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as property taxes for purposes of all procedural and substantive provisions of law.

SECTION 267. IC 36-7-30.5-34, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 34. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

- (1) Assessed value.
- (2) Owner.
- (3) Person.
- (4) Personal property.
- (5) Property taxation.
- (6) Tangible property.
- ~~(7) Township assessor.~~

(b) As used in this section, "PILOTS" means payments in lieu of taxes.

(c) The general assembly finds the following:

- (1) That the closing of a military base in a unit results in an increased cost to the unit of providing governmental services to the area formerly occupied by the military base.
- (2) That military base property held by a development authority is exempt from property taxation, resulting in the lack of an adequate tax base to support the increased governmental services.
- (3) That to restore this tax base and provide a proper allocation of the cost of providing governmental services the fiscal body of the

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unit should be authorized to collect PILOTS from the development authority.

(4) That the appropriate maximum PILOTS would be the amount of the property taxes that would be paid if the tangible property were not exempt.

(d) The fiscal body of the unit may adopt an ordinance to require a development authority to pay PILOTS at times set forth in the ordinance with respect to tangible property of which the development authority is the owner or the lessee and that is exempt from property taxes. The ordinance remains in full force and effect until repealed or modified by the fiscal body.

(e) The PILOTS must be calculated so that the PILOTS do not exceed the amount of property taxes that would have been levied by the fiscal body for the unit upon the tangible property described in subsection (d) if the property were not exempt from property taxation.

(f) PILOTS shall be imposed as are property taxes and shall be based on the assessed value of the tangible property described in subsection (d). The ~~township assessors~~ **county assessor** shall assess the tangible property described in subsection (d) as though the property were not exempt. The development authority shall report the value of personal property in a manner consistent with IC 6-1.1-3.

(g) Notwithstanding any other law, a development authority is authorized to pay PILOTS imposed under this section from any legally available source of revenues. The development authority may consider these payments to be operating expenses for all purposes.

(h) PILOTS shall be deposited in the general fund of the unit and used for any purpose for which the general fund may be used.

(i) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as property taxes for purposes of all procedural and substantive provisions of law.

SECTION 268. IC 36-9-11.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) All property of every kind, including air rights, acquired for off-street parking purposes, and all its funds and receipts, are exempt from taxation for all purposes. When any real property is acquired by the consolidated city, the county auditor shall, upon certification of that fact by the board, cancel all taxes then a lien. The certificate of the board must specifically describe the real property, including air rights, and the purpose for which acquired.

(b) A lessee of the city may not be assessed any tax upon any land, air rights, or improvements leased from the city, but the separate

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leasehold interest has the same status as leases on taxable real property, notwithstanding any other law. Whenever the city sells any such property to anyone for private use, the property becomes liable for all taxes after that, as other property is so liable and is assessed, and the board shall report all such sales to the ~~township~~ county assessor, who shall cause the property to be upon the proper tax records.

SECTION 269. IC 36-2-6-3 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 270. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2007]: IC 3-10-2-14; IC 3-13-10-3; IC 6-1.1-1-5.5; IC 6-1.1-1-22; IC 6-1.1-1-22.7; IC 6-1.1-5-9.1; IC 6-1.1-13-6; IC 6-1.1-13-7; IC 6-1.1-13-8; IC 6-1.1-35-4; IC 6-1.1-35-5; IC 6-1.1-35.2-1; IC 6-1.1-35.5-9; IC 6-1.1-36-2; IC 36-6-5; IC 36-6-8-5; IC 36-6-8-6; IC 36-6-8-9; IC 36-6-8-10; IC 36-6-8-11.

SECTION 271. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2007]: IC 12-19-5; IC 12-19-7-1.5; IC 12-19-7-6; IC 12-19-7-7; IC 12-19-7-9; IC 12-19-7-10; IC 12-19-7-11; IC 12-19-7-11.1; IC 12-19-7-15; IC 12-19-7-16; IC 12-19-7-17; IC 12-19-7-18; IC 12-19-7-19; IC 12-19-7-20; IC 12-19-7-21; IC 12-19-7-22; IC 12-19-7-23; IC 12-19-7-24; IC 12-19-7-25; IC 12-19-7-26; IC 12-19-7-27; IC 12-19-7-28; IC 12-19-7-29; IC 12-19-7-30; IC 12-19-7-31; IC 12-19-7-32; IC 12-19-7-33; IC 12-19-7.5-8; IC 12-19-7.5-9; IC 12-19-7.5-11; IC 12-19-7.5-12; IC 12-19-7.5-13; IC 12-19-7.5-14; IC 12-19-7.5-15; IC 12-19-7.5-16; IC 12-19-7.5-17; IC 12-19-7.5-18; IC 12-19-7.5-19; IC 12-19-7.5-20; IC 12-19-7.5-21; IC 12-19-7.5-22; IC 12-19-7.5-23; IC 12-19-7.5-24; IC 12-19-7.5-25; IC 12-19-7.5-26; IC 12-19-7.5-27; IC 12-19-7.5-28; IC 12-19-7.5-29; IC 12-19-7.5-30; IC 12-19-7.5-31; IC 12-19-7.5-32; IC 12-19-7.5-33.

SECTION 272. [EFFECTIVE JULY 1, 2006] (a) **On January 1, 2007, the balance of each county's county family and children trust clearance fund becomes part of the family and children trust clearance fund established by IC 12-19-1-16, as amended by this act. Any reference in a county or a county office in a document related to money in a county family and children trust clearance fund shall be treated after December 31, 2006, as a reference to the department of child services. Any reference in a document related to a county family and trust clearance fund shall be treated after December 31, 2006, as a reference to the family and children trust fund established by IC 12-19-1-16, as amended by this act. Not later than January 10, 2007, the county auditor shall transfer the**

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1 balance of the county's county family and children trust clearance
 2 fund to the department of child services for deposit in the family
 3 and children trust clearance fund established under IC 12-19-1-16,
 4 as amended by this act. The money transferred under this
 5 subsection is subject to the obligations of the county family and
 6 children trust clearance fund from which the money is transferred
 7 and the restrictions on any gifts or grants that apply to the money
 8 being transferred.

9 (b) Notwithstanding the effective date of the amendments to
 10 IC 12-19 and IC 31, the provisions of IC 12-19 and IC 31, as
 11 amended by this act, shall be used in setting tax levies, tax rates,
 12 and budgets in 2006 for the 2007 budget year.

13 (c) The requirement that predispositional reports and
 14 modification reports under IC 31-34, as amended by this act, be
 15 prepared only by a department of child services caseworker does
 16 not apply to predispositional reports and modification reports
 17 ordered by a juvenile court before January 1, 2007, even if services
 18 are to be provided after December 31, 2007. However, after
 19 December 31, 2007, any modification report in the case must be
 20 prepared as required under IC 31-34, as amended by this act, and
 21 is subject to the requirements concerning the charge back of
 22 expenditures to a county.

23 (d) The department of child services may adopt temporary rules
 24 in the manner provided for the adoption of emergency rules under
 25 IC 4-22-2-37.1 to implement the provisions of this act amending
 26 IC 12-19 and IC 31. A temporary rule adopted under this
 27 subsection takes effect in the same manner as an emergency rule
 28 adopted under IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1, a
 29 temporary rule adopted under this subsection expires on the
 30 earliest of the following:

- 31 (1) The date specified in the temporary rule.
- 32 (2) The date that another temporary rule adopted under this
- 33 subsection amends, repeals, or superseded the previously
- 34 adopted temporary rule.
- 35 (3) The date that a permanent rule adopted under IC 4-22-2
- 36 amends, repeals, or superseded the previously adopted
- 37 temporary rule.
- 38 (4) January 1, 2008.

39 (e) As used in this subsection, "total county tax levy" has the
 40 meaning set forth in IC 6-1.1-21-2. The department of local
 41 government finance shall apportion an amount equal to the part of
 42 the family and children's fund levy in 2006 that is not included in

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the total county tax levy between the county family and children's fund and the county probation services fund established by IC 31-40-5, as added by this act. The amount apportioned to the county probation services fund permanently reduces the part of the county family and children's fund that is excluded from the total county tax levy and permanently increases the part of the county probation services tax levy that is excluded from the total county tax levy.

(f) The balance of the state family and children's fund established by this act is appropriated to the department of child services for the purposes of the state family and children's fund beginning January 1, 2007, and ending June 30, 2007. There is appropriated the amount required under IC 31-33-1.5-13, as added by this act, to be transferred from the state general fund to the state family and children's fund from the state general fund for the purposes of the state family and children's fund beginning January 1, 2007, and ending June 30, 2007.

SECTION 273. [EFFECTIVE JANUARY 1, 2007] (a) As used in this SECTION, "elected township assessor" means a township assessor elected under IC 36-6-5-1 (as effective January 1, 2007) after December 31, 2006.

(b) As used in this SECTION, "township assessor" means the following:

- (1) An elected township assessor.
- (2) A trustee assessor.

(c) As used in this SECTION, "trustee assessor" means a township executive who performs the duties of assessor under IC 36-6-5-2 (as effective January 1, 2007) after December 31, 2006.

(d) Each township assessor shall organize the records of the township assessor's office relating to the assessment of tangible property or dog tax in a manner prescribed by the department of local government finance and transfer the records to the county assessor as directed by the department of local government finance. The department of local government finance shall determine a procedure and schedule for the transfer of each of the township assessor's office records and operations to the county assessor before July 1, 2007. Each township assessor of a county and the county assessor shall assist each other and coordinate their efforts to ensure an orderly transfer of all township assessor records to the county assessor and to provide for an uninterrupted and professional transition of the property assessment functions and dog tax functions from the township assessor to the county

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1 assessor consistent with the directions of the department of local
2 government finance and this act.

3 (e) Notwithstanding the effective dates in this act, a county
4 assessor has the assessing powers of a township assessor and dog
5 tax powers of a township assessor on the earlier of:

6 (1) the date that the office records and operations of the
7 township assessor are transferred to the county assessor
8 under the procedure and schedule determined by the
9 department of local government finance; or

10 (2) July 1, 2007.

11 (f) The office of an elected township assessor is abolished and
12 the assessing and dog tax powers and duties of a trustee assessor
13 are terminated in a township on the earlier of the following date:

14 (1) The later of the following:

15 (A) The date that the office records and operations of the
16 township assessor are transferred to the county assessor
17 under the procedure and schedule determined by the
18 department of local government finance, as determined by
19 the department of local government finance.

20 (B) A date after the date described in clause (A) and before
21 July 1, 2007, that the department of local government
22 approves to aid in coordinating the efforts of the county
23 assessor and the township assessor to ensure an orderly
24 transfer of all township assessor records to the county
25 assessor and to provide for an uninterrupted and
26 professional transition of the property assessment
27 functions and dog tax functions from the township assessor
28 to the county assessor.

29 (2) July 1, 2006.

30 (g) This act does not affect any assessment, assessment appeal,
31 or other official action of a township assessor made before July 1,
32 2007. Any assessment, assessment appeal, or other official action
33 of a township assessor made by a township assessor within the
34 scope of the township assessor's official duties under IC 6-1.1 or
35 IC 36-6-5 before July 1, 2007, shall be considered as having been
36 made by the county assessor. This act does not affect any pending
37 action against, or the rights of any party that may possess a legal
38 claim against, a township assessor that is not described in this
39 subsection.

40 (h) The department of local government finance shall adjust the
41 maximum permissible ad valorem tax levy of each county and
42 township to reflect the transfer of duties from township assessors

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1 to county assessors under this act. The adjusted maximum
 2 permissible ad valorem tax levies determined under this SECTION
 3 apply to property taxes first due and payable after December 31,
 4 2006.

5 (i) The department of local government finance may adopt
 6 temporary rules in the manner provided for the adoption of
 7 emergency rules under IC 4-22-2-37.1 to implement this
 8 SECTION. A temporary rule adopted under this subsection takes
 9 effect in the same manner as an emergency rule adopted under
 10 IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1, a temporary rule
 11 adopted under this subsection expires on the earliest of the
 12 following:

13 (1) The date specified in the temporary rule.

14 (2) The date that another temporary rule adopted under this
 15 subsection amends, repeals, or superseded the previously
 16 adopted temporary rule.

17 (3) The date that a permanent rule adopted under IC 4-22-2
 18 amends, repeals, or superseded the previously adopted
 19 temporary rule.

20 (4) January 1, 2008.

21 (j) This SECTION expires January 1, 2008.

22 SECTION 274. [EFFECTIVE JULY 1, 2007] (a) The legislative
 23 services agency shall prepare legislation for introduction in the
 24 2008 regular session of the general assembly to correct statutes
 25 affected by this act.

26 (b) This SECTION expires July 1, 2008.

27 SECTION 275. An emergency is declared for this act.

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